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# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

U. S. Department of Agriculture

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 2, 1929

Vol. 9, No. 1

### SECRETARY JARDINE SUMMARIZES PAST YEAR IN AGRICULTURE.

Reviewing the agricultural situation of the past year, Secretary Jardine of the United States Department of Agriculture declared in a radio address December 31, that the events of 1928 "remind us that fortunes ebb and flow in the various branches of farming. The cattle and sheep sections of the West once more have enjoyed a good year. The Cotton Belt has done fairly well. The dairy industry has done well. Poultry raisers made money. Potato growers and many wheat growers passed through a trying business year. Returns from hay and tobacco will be lower than in the preceding year. In each instance, different circumstances brought about the year's results.

"It appears that agriculture's gross income for the crop year will be slightly higher than last, and that the net income will exceed that of last year by more than one would conclude from a study of the gross income figures alone. Prices of some of the principal supplies used in farm production were about the same in the two years, but many farmers economized on these items. By greater efficiency, farmers saved more labor, got more out of feedstuffs, and did away with certain wastes in the process of getting their products to the consumer. We may safely say that American farmers produced more with fewer hands this year than ever before."

Better results would have followed better planting, the speaker continued, citing particularly the "ruinous situation" in the potato industry resulting from expanded acreage in the face of warnings issued by the Department in January, March and May. With more intelligent use of the information afforded by the economic studies made in the department, he said, much may be done to control production. The Secretary called particular attention to the annual Outlook Report to be issued late in January.

Rounding out the view of the year, Secretary Jardine called attention to the fact that "our industrial population at home is the largest, most prosperous, and affords our farmers the best domestic market in the world. In the past quarter of a century farmers of the United States have become less dependent on foreign markets as shown by the fact that exports of agricultural commodities are becoming a diminishing part of our total exports. Our national policy is to insure the splendid domestic market to our farmers by an adequate protective tariff." He also said that foreign markets offer reasonably good prospects, particularly in the Orient and South America.

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UNITED STATES STANDARDS for romaine, mustard greens, okra, endive, escarole, chicory, northern grown onions, and turnip greens have been issued by the Bureau of Agricultural Economics.

CLARENCE L. HOLMES APPOINTED  
AS FARM MANAGEMENT HEAD.

The appointment of Clarence L. Holmes of Iowa, as principal agricultural economist in charge of the Division of Farm Management and Costs, effective March 1, 1929, has been announced by Nils A. Olsen, chief, Bureau of Agricultural Economics.

Mr. Holmes will supervise the planning, development and conduct of investigational and research work in the study of economic problems of farm management and operation. He will have charge of all investigational and research work pertaining to farm management and farming costs and of contacts with State colleges and other cooperating agencies in farm management research.

Since September 1923, Mr. Holmes has been chief of the Agricultural Economics Section of Iowa Agricultural Experiment Station and professor of agricultural economics at Iowa State College.

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DELAWARE MARKETS BUREAU  
REPORTS INCREASED ACTIVITY.

Reporting on the activities of the Delaware Bureau of Markets the last two years, Wilmer T. Derickson, director declares that "our market news service has increased. Beginning with asparagus and continuing throughout the produce season, we furnish special market information which is received regularly by telegraph, telephone and radio from the large receiving centers throughout the East, as well as many of the smaller cities. About ten days before the various Delaware agricultural commodities are ready to ship, we send a letter to a selected list of from five to fifteen hundred buyers of the special commodity which our growers will begin to harvest, advising the buyers of the time at which the particular commodity will begin to move, the varieties produced, and crop conditions."

Specific information is distributed by the bureau regarding the organization and operation of various cooperative organizations. Shippers are helped in transportation problems. An increasing volume of graded products shipped from Delaware is reported. The shipping point inspection service has expanded greatly since its establishment in 1923. Mr. Derickson says that fully ninety-five percent of closed packages of apples packed for sale, offered for sale or sold within the State, are marked or branded in accordance with the Apple Marking or Branding Law passed by the last Delaware Legislature."

This law requires that the packages of apples must be marked or branded in letters not less than one-half inch in height, with the owner's name and address, the true variety, or marked "Unknown Variety" in the event the variety is unknown, the minimum size or range of sizes, and the grade.

The bureau has done considerable work also in investigating marketing practices involving transactions between shippers and receivers.

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PENNSYLVANIA REPORTS ON  
EGG AND MILK MARKETING STUDIES.

Farmers marketing eggs direct to consumers require more than four hours per trip to market, on an average, whereas other marketing methods require less than one fifth of this time, the Pennsylvania Experiment Station (State College, Pennsylvania) reports in Bulletin No. 214, entitled "Egg Marketing by Pennsylvania Farmers". It is pointed out, however, that "after deducting all marketing costs, as well as the value of the farmer's time devoted to marketing, those selling direct to consumers average 10 cents a dozen higher net returns than those selling to country stores, seven cents a dozen higher than those selling to New York wholesalers, and six cents a dozen higher than those selling to hucksters."

The results of a detailed cost account study at 52 shipping stations are reported in Bulletin No. 219, entitled "Milk Shipping Station Operations", in which it is stated that the major differences in shipping station costs were found to be due to variation in volume of milk handled, difference in method of shipment, whether milk is shipped in cans or in tanks, and difference in methods of refrigeration, whether milk is cooled by ice-and-water or by mechanical refrigeration.

Similarly, the results of "A Study of Egg and Poultry Consumption in Pennsylvania" are reported in Bulletin No. 222.

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NEW YORK FARMERS TO STUDY  
BUFFALO POULTRY MARKET.

A survey of wholesale poultry marketing problems on the Buffalo market will be made by a group of poultry producers of Western New York, January 23, under the direction of New York State College of Agriculture.

The Poultry Department at Cornell University declares that eggs and poultry produced in Western New York can and should be sold on the Buffalo market. The large volume of eggs produced so close to the city of Buffalo gives a definite guarantee of quality to the consumer.

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"FAULTY PACK" LIMITS MARKETS  
FOR NORTHEASTERN APPLES.

Unanimous complaint against the New England pack is limiting sales of Northeastern apples in Mid-Western areas, according to L. A. Carlisle, Agent in Marketing New Hampshire Department of Agriculture, following a recent survey in Chicago. Complaint against the New Hampshire pack in the Boston market, also, has resulted in increased sales of Virginia apples on that market. "The orchard business of our State will be severely damaged," Mr. Carlisle says, "unless greater consciousness is exercised in either the grading or marking of our packs".

GROWERS MUST PRODUCE  
WHAT CONSUMER WANTS.

"If the farmer in New England is to prosper," according to A. U. Chaney, American Cranberry Exchange, "the first thing to do is to raise the kind of things people want, get it to them all the time, and keep poor quality off the market.

"The first basic principle of our organization is uniformity of grade, of size, color, ability to keep, quality, etc. Unless we can solve the problem of grading cranberries uniformly, so that the distant buyer can buy them without seeing the fruit and know what his customers will get, we cannot succeed.

"We have a trade label for each grade for the benefit of the dealers. It stands for size, color, and quality of the fruit. For Cape Cod we have a uniform color of label, all blue. All customers have a catalogue describing these grades, so that we quote our cranberries by brand name. We also have a consumers' brand which we put on all the better grades and varieties. We want our customers to eat more cranberries, so we give them a brand 'Eatmor' to make them realize that they want to eat more cranberries. We take advantage of local names for the brands when we can. We police these brands as much as possible, but the responsibility is supposed to be only of an advisory capacity. If there is any complaint our inspector goes anywhere to inspect the fruit, and if it is no good the grower suffers the loss on the shipment. We do not pool fruit because the inspector has passed it. We give the grower the full average price if his goods hold up and he packs them according to grades. He is penalized if he does not do this, therefore there is no inducement to 'skin' the pack.

"Recognizing the importance of demand on the price of our product, our exchange strives constantly to develop new demand:

(a) By marketing our product under definite grades and identifying brands, which enable the dealers to buy without seeing the fruit the kind of cranberries their trade requires:

(b) By securing interest of dealers in our commodities by establishing stable values:

(c) By securing good will of the consuming public through advertising and publicity:

(d) By carefully estimating the total production of cranberries, together with the probable demand and endeavoring to establish a price on our product that will insure the sale of the entire crop for its real economic value."

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MISSOURI TO HOLD  
"OUTLOOK" CONFERENCES.

Conferences for the discussion of the outlook for the various commodities to be produced on Missouri farms in 1929 will be held in at least thirty-three counties, according to a schedule announced by extension specialists of Missouri College of Agriculture. The conferences will run from January 28 to March 1.

VIRGINIA SURVEY SHOWS VALUE  
OF APPLE GRADING AND MARKING.

Practically unanimous approval by apple dealers of the Virginia apple grading and marking law in its first year of administration by the Virginia Division of Markets is shown in a survey made by J. H. Meek, Director, Division of Markets. Mr. Meek wanted to ascertain whether the objects of the law, - uniform grading according to definite standards, and uniform marking on the containers that truly represents the contents of the package, - were being attained.

Sixty-three dealers or firms in thirty cities in ten different States reported improvement in packing and marketing Virginia apples. Edwin Smith, foreign representative of the Bureau of Agricultural Economics, reported that "as a result of the law and its enforcement, it can be said that Virginia's reputation in foreign markets is most assuredly on the upgrade."

Interpreting the results of the survey, Mr. Meek declares that he "feels safe in saying that at least 50 per cent more Virginia apples were properly graded and containers properly marked than would have been the case without the enforcement of the Virginia Apple Grading and Marking Law.

Mr. Meek makes the following suggestions for improving packing and marking:

"Make a regular practice of checking the markings on containers, opening a representative number of containers after they are packed and checking the apples to see if they fully meet the requirements for the markings on the containers.

"Be careful to pack barrels at the right degree of tightness. The barrel press alone will not give a tight barrel, but the barrel must be racked well first. Apples are sometimes packed too tight, resulting in unnecessary bruising.

"Avoid careless and rough handling in the orchard, in the packing house and in transit. Apples in baskets are often bruised by the truck driver before they reach the car or storage.

"Do not allow containers to get dirty by rolling barrels on the ground, allowing them to remain out of doors or loading them in dirty cars; such as have been used for shipping cattle, watermelons, or other fruit that has decayed.

"Ring tail the tail end of the barrel.

"All stamping, labeling or branding should not only be plain but attractive."

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MISSOURI PUBLISHES RESULTS  
OF EGG MARKETING STUDY.

The results of a study of egg marketing in Missouri have been published by the Missouri State Board of Agriculture (Jefferson City, Mo.) in Volume XXVI, No 2 of "The Bulletin". This publication covers a discussion of Missouri tentative buying grades for eggs, grading, candling, packing, marking, Missouri wholesale grades, market reports, and suggestions for producers, dealers, and consumers. The theme of the bulletin is to buy and sell eggs on a quality or graded basis.

BILL WOULD PRESCRIBE  
COTTON-BALE COVERING.

Provision for the use of net weights in interstate and foreign transactions in cotton, and for the standardization of bale covering for cotton, is contemplated in a bill (H.R.14938) introduced in Congress by Representative Fulmer, of South Carolina. The bill would authorize the Secretary of Agriculture to investigate the handling, inspection, and transportation of cotton in interstate and foreign commerce and to study the materials used for bale coverings. Also authority would be given the Secretary to establish standards for materials used for bale coverings, including specifications and tolerance as to sizes, weights, and patterns. Such standards would be known as the United States official cotton tare standards. Minimum weights of bale covering used on cotton for shipment in interstate or foreign commerce would be prescribed when such covering did not conform to the official standards. One year after the effective date of the official cotton tare standards, all American cotton would be bought and sold for shipment in interstate and foreign commerce on net weights, excluding in such instance the weight of bagging, ties, and patches. Violation would be a misdemeanor punishable by a fine not exceeding \$500.

Another bill (H.R. 14936) introduced by Representative Fulmer, of South Carolina, would authorize an appropriation of \$15,000,000 for the purchase of feed, seed, and fertilizer to be supplied to farmers in the crop-failure areas of the Southern States and for other purposes. It would authorize the Secretary of Agriculture to make loans or advances to farmers in the storm or flood stricken areas of the Southeastern States on the security of crop liens. The maximum advance to any one farmer would not exceed \$500.

Representative Cannon, of Missouri, is author of a bill (H.R. 14940) to establish a Federal farm board for the control and disposition of agricultural surpluses. This bill contains the equalization fee principle, and would appropriate \$400,000,000 for agricultural stabilization funds and other purposes.

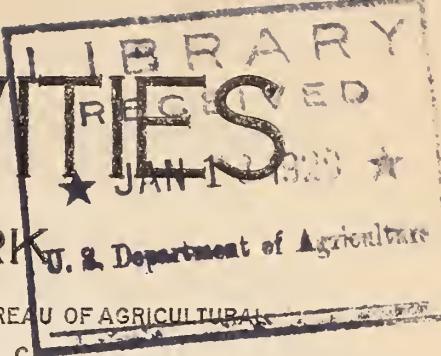
Senator Schall, of Minnesota, has introduced a bill (S. 4834) authorizing appropriations for demonstration plants in the utilization of waste products from the land. The work would be carried out by the Bureau of Standards. The plants would demonstrate the manufacture of flax and wheat-straw pulp and paper, potato alcohol, rice-straw-pulp and paper, sugarcane pulp and paper, xylose products from peanut shells, cornstalk pulp and paper, and strawboard.

Amendment of provisions in the food and drugs act relating to canned food is provided for in a bill (S.4800) introduced by Senator McNary, of Oregon. The bill would authorize the Secretary of Agriculture to determine, establish, and promulgate from time to time standards of quality, condition, and fill of canned food products. Also it would authorize the Secretary to prescribe the form of statement which labels on canned food should bear when the products were below official standard.

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January 9, 1929

Vol. 9, No. 2

CHICAGO POULTRY BOARDADOPTS LIVE POULTRY GRADES.

Grading of both live and dressed poultry on central markets is becoming an established fact, with the recent innovation of live poultry grading on the Chicago Poultry Board, declares Alvan Oderkirk, Agricultural Economics Section, Iowa State College. The New York Poultry Exchange, Mr. Oderkirk says, is planning in the near future such a system in its buying operations.

The definitions of the grades on the Chicago Poultry Board are as follows:

"No. 1, or prime poultry, shall consist of vigorous, fleshy, healthy birds, free from tumors, downers (leg weakness, etc.), T.B., gaps, swollen head or eyes, bruised legs or wings, hunchbacks, heavy indented or crooked breast bones.

"No. 2, or medium poultry, shall be vigorous, healthy, and free from tumors, downers (leg weakness, etc.), T. B., gaps, swollen heads and eyes, extremely thin, but may consist of indented and crooked breast bone, hunchbacks, bruised wings and legs, also scrubby hens and all hens under two and one-half pounds.

"No. 3 poultry shall be such as will not qualify as No. 1 or No. 2, except diseased birds not fit for human food."

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IOWA ECONOMIST FORESEESHIGHER HOG PRICES.

"Not only are the 1929 hog price prospects looking more hopeful than those of 1928, but the immediate future of hog prices also is somewhat brighter," according to L.G. Albaugh, extension economist, Iowa State College. "Because marketings in November and December, 1928, have been unusually heavy when considered in relation to the total hog crop," he says, "hog prices have ranged somewhat lower during these two months than might have been expected. With decreased marketings in prospect, prices for the remaining winter months should rise more rapidly than usual. This advance, however, will be slowed up somewhat by the unusually large amount of hog products in storage. Lard holdings also are higher than last year and one and one-half times as large as the five-year average."

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UNITED STATES STANDARDS FOR CABBAGE AND ROUGH CELERY have just been issued by the Bureau of Agricultural Economics.

FINAL PLANS DRAFTED FOR  
WORLD AGRICULTURAL CENSUS.

Final plans have been drawn for the world agricultural census to be taken in 1930 by the International Institute of Agriculture at Rome, according to Leon M. Estabrook, director of the census for the Institute. The scope of the census has been enlarged to include forest areas.

The Committee on Production at the Diplomatic Conference on Economic Statistics of the League of Nations at Geneva endorsed the Institute census project and recommended "general censuses of agriculture, of a scope similar to that proposed by the International Institute of Agriculture, to be taken if possible in respect of the closing year of each decade, that is, say, in respect of 1930, 1940, 1950, and so on, or for years as near as possible to these dates."

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FARM PRICE LEVEL IS  
UNCHANGED FOR PAST MONTH.

The general level of farm prices remained unchanged at 134 per cent of the pre-war level during the period from November 15 to December 15, according to the January farm price report of the Bureau of Agricultural Economics. At 134, the index is 3 points below December a year ago.

Slight advances in the farm prices of nearly all crops and seasonal advances in the farm prices of eggs and dairy products from November 15 to December 15 offset further declines in the farm prices of meat animals, wool, chickens, and work animals.

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SWEET-POTATOES CAN BE MADE  
MORE PROFITABLE CROP.

Much more profit could be realized from the growing of sweet potatoes than is now made if diseases in the field, storage, and transit were reduced according to the United States Department of Agriculture in Farmers' Bulletin 1059-F, entitled "Sweet-Potato Diseases", just released.

Specialists of the department believe that more sweet potatoes would be available for winter use and disposed of at a good price if storage methods and principles were better understood.

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OREGON TO EMPHASIZE OUTLOOK  
AND SITUATION WORK.

Discontinuance of daily and weekly market news reports for the purpose of giving greater emphasis to outlook and monthly agricultural situation reports has been announced by the Oregon Extension Service.

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VALUE OF CULL BEANS AND POTATOES in fattening beef cattle for market is to be determined by a steer feeding experiment being conducted at the Caldwell substation of the University of Idaho College of Agriculture experiment station.

IOWA SEES NEED FOR NATIONAL  
SYSTEM OF EGG STANDARDS.

A national system of egg standards and grades, including selling grades for producers, will help greatly toward increasing the per capita consumption of eggs in the United States, according to W. D. Termohlen, poultry extension specialist at Iowa State College.

"The proof of this statement has been demonstrated in Canada," Mr. Termohlen says, where standards and grades for eggs are in effect under a Dominion law. These grades include buying or producers' selling grades, wholesale grades, and retail grades. Government inspection is in force in the different provinces.

"In 1920 the per capita consumption was 16.8 dozen eggs. In 1926 the per capita consumption was 29.67 dozen. In the United States one can conservatively say the per capita consumption is 15 dozen, only slightly over one-half as many eggs as are eaten by each person in Canada. The increase in consumption in Canada has come about because of the improvement in quality of eggs."

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ECONOMICS CHIEF SEES  
"SIGNS OF IMPROVEMENT"

Looking forward into the new year, Nils A. Olsen, chief, Bureau of Agricultural Economics, in a radio broadcast January 1, declared that "if we can make some progress this year in reducing the guesswork, can adjust our plans skillfully in the light of the outlook; if we can stop the leaks in our farm business methods; if we can market products of the right quality at the right time and place; if we can have some helpful legislation as promised, I am confident 1929 will show up on the right side of the ledger. Let me urge that you keep in mind our Outlook Report to be issued on January 28."

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Publications.

Recent mimeograph reports issued by the Bureau of Agricultural Economics include the following:

"General Accounts and Summaries of the History of Agriculture in the United States", compiled by Everett E. Edwards, Division of Statistical and Historical Research.

"What About the Hog Market?", radio broadcast by C.A. Burmeister, agricultural economist, Livestock, Meats and Wool Division.

"Opportunities for Cooperation in Local Land Utilization Studies," by Dr. L.C. Gray, principal agricultural economist, Division of Land Economics

"The Bureau of Agricultural Economics as a National Service Agency," by Nils A. Olsen, chief, Bureau of Agricultural Economics.

BOVINE TUBERCULOSIS ERADICATION

In a case decided by the Supreme Court of Iowa in November, 1928, Phelps et al. v. Thornburg, Secretary of Agriculture of Iowa, et al. (221 N. W. 835), the State Secretary of Agriculture was held to be without jurisdiction to enroll the county of Muscatine under the plan for eradicating bovine tuberculosis, inasmuch as it was found that the county was not properly enrolled under the county area plan as provided in the code of 1924, as amended.

This was instituted as an action in equity asking an injunction against the Secretary of Agriculture from the enforcement of chapter 129 of the code, generally known as the "Bovine Tuberculosis Law". The District Court refused the relief prayed and plaintiffs appealed. In the Supreme Court the verdict of the District Court was reversed. It appears that the Secretary of Agriculture had declared Muscatine County, Iowa, to be an accredited area for the eradication of bovine tuberculosis subject to the provisions of the code. This action was attacked on four grounds, namely,

(1) That the said county has never been legally enrolled under the county area eradication plan because of failure to publish notices of hearings on petition in the manner required by the code;

(2) That 697 owners of breeding cattle withdrew in writing their names from petitions previously filed asking for enrollment and there were not sufficient petitioners left to authorize the Secretary of Agriculture to take such course;

(3) That said county has never been legally enrolled under the county area eradication plan and the Secretary has no right or authority to make such enrollment;

(4) That said chapter of the Iowa code is a violation of the constitution of Iowa, in that it attempts to confer on the executive departments of the state judicial authority.

In passing upon these questions the court found—that the statute requires that before the Board of Supervisors may act toward enrolling a county, notice must be published fixing the time of hearing of the petition, which notice must be published for two consecutive weeks in two official county papers, which hearing shall be not less than five nor more than ten days after the last publication; that the last notice did not comply with the requirements of the statute, in that but four days intervened from date of publication to the date set for hearing, and that the Board of Supervisors therefore did not have jurisdiction;

that the county must first be properly enrolled under legal proceedings under the county area plan before the Secretary of Agriculture has any power to enroll it under the accredited area plan; that having found the action of the Board in enrolling Muscatine County wholly void, therefore, its operation under the county area plan is not such as is required by the statute; that, therefore, where the county has not been properly enrolled under the county area plan the Secretary of Agriculture has no jurisdiction to enroll the county under the accredited area plan; and that under the situation the ruling of the District Court is erroneous and that the contention of plaintiffs should have been sustained and the injunction for relief granted.

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H. F. Fitts.

PUBLIC WEIGHMASTER'S CERTIFICATE

Johnson v. Kvale, District Court of Appeals, Third District of California, October, 1928. (271 Pac. 379)

The question in this case was the accuracy of the public weighmaster's certificate of weight as applied to lambs, being a part of the sale of several loads of sheep. It appears that in handling the transaction the public weighmaster, under seal, issued a certificate showing the lambs to weigh 6505 pounds. Settlement was made by defendant here to the plaintiff based upon such figure, but subsequently discovering error on the part of the public weighmaster, a check for the correct amount (\$594.10) was delivered to plaintiff.

Plaintiff was given judgment for the amount computed from the weighmaster's figures (\$666.60). From this judgment the defendant appealed on the ground that the amount due was only \$594.10.

In discussing the case, the court in its opinion referred to applicable portions of the state law governing the question involved, stating that Section 6 of the Act of 1915 provides for the reweighing of any commodity when doubt arises as to the correctness of the net or gross weight as shown by the certificate of a public weighmaster. Section 7 of the Act provides that "when any product is sold subject to public weighmaster's weights, such weight shall be the true net weight of the product". The court stated also that there was nothing in the act to indicate that it was the intention to make the certificate of a public weighmaster conclusive evidence of the weight of a commodity, and that it has been held that the Legislature has not the power to make such certificate conclusive. Furthermore that it does not appear that it was the intention to make the method provided by the State law, that is, the reweighing of the commodity (in this case lambs) when doubt arises as to the true weight the exclusive remedy for correcting an error in weight when the party seeking correction had no reason to doubt the correctness of the certificate in time to avail himself of such method; that in such a case it is more reasonable to hold that, like other instruments, the certificate may be attacked on the ground of fraud or mistake.

Judgment reversed.

H. F. Fitts.

IN CONGRESS:

H.R.15336 - Hearings on the Agricultural Appropriation Bill were begun on January 5 before the subcommittee of the Appropriations Committee of the Senate. Senator Jones filed an amendment, which he intends to offer, which increases the appropriation for Market News Service by \$35,000.

H.R.15848 The first deficiency bill was reported out of the House Committee on January 4. This bill carries an appropriation of \$60,000 to cover the operation of Center Market for the remainder of the fiscal year 1929.

Bills Introduced:

S. 5138, by Senator McNary, to amend sections 4,6,8,9,10, 11, 12, 25, 26, 29 and 30 of the United States Warehouse Act, approved Aug. 11, 1916.

H.R.15736, by Mr. Summers of Washington, to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce.

H.R.15675, by Mr. Aswell, providing for the purchase and sale of Cotton by net weight.

H.R.15713, by Mr. Crampton, to establish uniform requirements affecting Government contracts.

S. 5148, by Senator Brookhart, to amend Section 13 of the act of March 4, 1923, entitled "An act to provide for the classification of civilian positions within the District of Columbia and in the field services" as amended by the act of May 28, 1928. A similar bill (H.R.15653) was introduced by Mr. Celler.

H.R.15680, by Mr. Welch, to amend a section of the act entitled "An act for the retirement of employees in the classified civil service," approved May 28, 1928. A similar bill (H.R.15679) was introduced by Mr. Smith.

S. 5104, by Senator Watson, to create a Federal communications Commission.

H.J.Res.370, by Mr. Crisp, providing for the completion of Dam No. 2 and the steam plant at Nitrate plant No. 2 in the vicinity of Muscle Shoals, for the manufacture and distribution of fertilizer.

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WASHINGON, D. C.

January 16, 1929

Vol. 9, No. 3.

ILLINOIS REPORTS ON  
MILK MARKETING MARGINS.

Farmers and dairymen in the Chicago milk market, who are now involved in a price controversy with the distributors in that district, got approximately 46 cents to cover both their expenses and profit out of the average consumer's dollar spent for milk during the two years 1925 and 1926, according to findings in a two-year investigation by the Illinois Experiment Station. Out of the remaining 50.88 cents which went largely to cover purchasing, receiving, processing, selling, delivery and administration, the dealers realized net profits of 3.44 cents in every consumer's dollar.

Findings made in the study have been released in a bulletin entitled "Costs and Margins and Other Related Factors in the Distribution of Fluid Milk in Four Illinois Markets". These markets included Chicago, St. Louis, Peoria, and Quincy.

The study shows that the Chicago dealers received a net income of .47 of a cent of the approximate 12.9 cents a quart paid for milk sold in the form of milk and milk products to the regular retail trade. Farmers and jobbers received 5.3 cents of the 12.9 cents, while 7.1 cents went to defray the expense of marketing. This 7.1 cents was divided into 2.2 cents to meet the expenses of purchasing, receiving and processing, 4.6 cents for selling and delivery, and .31 of a cent for general administrative expense.

Copies of the bulletin may be obtained from the College of Agriculture, University of Illinois.

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NEW PRODUCE MARKET  
FOR WASHINGTON, D. C.

Award of a contract for the construction of 34 terminal stores fronting on Water Street between 12th and 14th Streets, S.W., Washington, D.C., with direct railroad trackage connection, to accommodate commission merchants and wholesale distributors of perishable freight, has been announced by the Potomac Freight Terminals Co.

The new Water Street stores are reported to be part of a "comprehensive plan for the general development of the Water Street Terminal Market area. Each store will be 80 feet long and 20 feet wide, the entire block of stores fronting on Water Street for approximately 700 feet, with an arcade 30 feet in depth extending over the full frontage. The stores will be provided with refrigeration by pipe line from the central plant of the Terminal Refrigerating & Warehousing Corporation, conduits for this purpose having been installed already by authority of Congress."

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LAND O'LAKES OFFICIAL  
DESCRIBES MARKETING METHODS.

Declaring that the "greatest development in marketing is that which has been brought about through the cooperatives," John Brandt, president of Land O'Lakes Creameries, Inc., says that "the success of any cooperative marketing agency must be founded upon its ability to go more directly to the consumer and to bring back larger returns to the producer than other existing marketing agencies.

"Efficiency in marketing has been the reason for the success of Land O'Lakes Creameries, which has sought out the best markets for its products and reduced waste and expense in reaching these markets to the minimum. The association is now marketing butter in certain eastern cities in one pound rolls, ready wrapped in double parchment, thereby dispensing with butter tubs. Money which formerly was spent for tubs now is devoted to advertising which creates a larger and more efficient volume of business.

"Finding ways and means of minimizing various costs of production, handling and transportation has been a big factor in enabling Land O'Lakes to place its merchandise on distant or highly competitive markets to good advantage. Thus the association is able to sell milk and milk fat in powdered form to ice cream manufacturers in Florida.

"Eggs are the hardest to market cooperatively because of the difficulty of securing fresh eggs and the keen competition in the egg buying trade which frequently results in artificially advanced prices whenever a new buying agency enters the field."

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HOG PRODUCERS "LOSE" FROM  
ABNORMALLY HIGH PRICES.

"Hog producers lose, in the long run, from an abnormally high market price," in the opinion of Prof. J. H. Shepperd of the North Dakota Agricultural College. Mr. Shepperd is a member of the National Board of Swine Production Policy which recently held its initial meeting at Chicago. The board, composed of 26 men selected on the basis of one committeeman for each million hogs marketed within a State, is concerned with the tariff on hogs and pork, foreign markets, orderly marketing, the commission and hog price ratio, desirable market types, honest advertising of the use of pork products and legislation affecting pork producers.

"An excessive price," Prof. Shepperd says, "brings the man into the hog business who cannot produce pork at a moderate price. The result is over-production and a glut, with the high producer being forced out of business while the regular producer who continues must suffer from the resulting low price. Orderly marketing and the distribution of information to retail dealers can remedy the situation."

MARYLAND APPORTIONS CONSUMER'S  
"CANNED TOMATO DOLLAR".

Every time the consumer invests a dollar in canned tomatoes, approximately 18.7 cents of his money goes back to the grower of the raw product, 46 cents goes to the canner, 3.9 cents to the broker, 4.9 cents to transportation agencies, 6.6 cents to the wholesaler and about 20 cents remains with the retailer, according to W.J. Hart of the University of Maryland, following a study of the canning industry in Maryland.

Some of these costs may seem high and some may seem unnecessary, but there is a good reason for every one of them, Mr. Hart says. Distributors, he declares, are becoming more efficient and in some instances the benefits have been passed on to the consumer in the form of better prices. "The consumer can best understand the high degree of efficiency of various elements entering into the production of canning crops, their processing and distribution by considering the modest prices he pays for the finished product."

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IOWA ECONOMIST SAYS "HOLDING  
CORN LIKELY TO PAY".

If history repeats itself this year, says G.S. Shepherd of the Agricultural Economics Section at Iowa State College, the farmer who holds his corn now and sells it next summer has a good chance of getting more money than he could by selling this winter. The chances are about 11 to 1 that this will be true, judging by past years, Mr. Shepherd declares.

Going back to 1899, Mr. Shepherd has studied the comparative costs of storing with the prices of each crop prevailing from harvest until the following summer. Only the war years from that time until now were not included in the study.

In 21 out of the 23 years studied, Mr. Shepherd says, it would have been profitable to store corn for sale in the following summer whenever the crop was 95 per cent of average or above. Whenever the crop was below a 95 percent average size, it would not have been profitable to store it. In those years, it would have paid better to sell the corn in the winter months following harvest.

The farmer who needs corn for feeding would be playing fairly safe to store corn now and hold it because of the prospective high prices for hogs and finished steers, Mr. Shepherd believes.

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INCREASED HOLDINGS OF  
MOST COLD STORAGE PRODUCTS.

Larger cold storage holdings of most products on January 1 as compared with January 1 a year ago are reported by the Bureau of Agricultural Economics. Increases are shown for apples, American cheese, case eggs, and beef, pork, lamb and mutton; decreased stocks are reported for creamery butter and poultry.

WESTERN COOPERATIVES CUT  
COSTS OF MARKETING.

One of the outstanding achievements of a number of the cooperatives on the West Coast, according to C.G. Randell, Bureau of Agricultural Economics, is the invention, patenting, and installation of machinery which greatly reduces grading and processing costs. The cooperatives, he says, in many cases have substituted machine labor for hand labor which has given a decided business advantage over small independent organizations.

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POTATO GROWERS REPORT  
INTENTION TO CUT ACREAGE.

A reduction of 9 per cent in potato acreage as compared with last year's acreage in the 35 late potato States is indicated by intentions-to-plant reports to the Bureau of Agricultural Economics.

If these reports correctly indicate the intentions of all farmers, as has been the case during the past two years, and if there is about the usual loss in acreage from blight, flood, etc., the acreage left for harvest next year would be 3,064,000 acres compared with 3,361,000 acres grown in 1928 in the 35 States.

An inquiry made in December in the Southern States indicated an intention to reduce acreage there between twenty-five and thirty per cent. Taken together, these reports point roughly to a 1929 potato acreage in the United States of around 3,426,000 acres compared with 3,825,000 acres in 1928 and 3,476,000 acres in 1927. If an average yield with allowance for the upward trend is secured, the intended acreage would give a production in the neighborhood of four hundred million bushels for 1929.

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MONTANA URGES LOWER  
WHEAT PRODUCTION COSTS.

"Look to the north for the most serious competition for the Montana wheat grower during the next few years," says M. L. Wilson, agricultural economist, Montana State College, at the low cost wheat meetings now being held in northern Montana. Canada, he declares, has quadrupled its wheat production in the past twenty years, reaching a high point of 500,000,000 bushels in 1928.

The low cost wheat meetings are a part of the program of the Montana Extension Service to bring to farmers in some of the important wheat producing areas of the State the latest information, machinery and other equipment for putting wheat production on a more efficient basis.

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MARKETING FLORIDA CELERY, Summary of 1928 Season, has been issued in mimeograph by the Bureau of Agricultural Economics.

"Through" Bill of Lading

Houston and T. C. R. Co. v. Clement Grain Co.  
Court of Civil Appeals in Texas, October, 1928.  
(10 S. W. 400)

Action by Clement Grain Co. against railroad company. Judgment for plaintiff, and defendant appeals. Affirmed.

Clement Grain Co. alleged delivery to railroad company of a car of corn to be shipped from Waco to Barnum; that railroad company issued to it a through bill of lading agreeing to transport car to destination; that the car was accepted by connecting carriers under said bill of lading and that they recognized and acted upon same. Company further alleged that appellant and its connecting carriers permitted the corn to get wet thereby causing damage; that by reason of said damage the purchaser at Barnum refused to accept it; that the car was wrecked en route and that there was no market for said corn and consequently it had the corn shipped back to Waco where it was sold at the highest price obtainable, namely, 40¢; that when shipped it was worth \$1.10; that because of no market at point where wrecked the company was compelled to pay freight back to Waco amounting to \$59.85. Railroad company entered several defenses denying the allegations of plaintiff.

The railroad company contended that the grain company's cause of action against it was barred by limitation inasmuch as the company made no allegation in the pleadings that the connecting carriers recognized and acted upon the through bill of lading which it issued, the railroad's theory being that in order to bind the initial carrier it is necessary to allege that the connecting carrier did recognize or act upon said bill of lading. This contention was overruled by the court in its decision, its statement of the law being that where the initial carrier gives a through bill of lading it thereby obligates itself to deliver shipment at destination and becomes liable for all damages that may accrue while in transit over the lines of connecting carriers.

- H. F. Fitts

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MARKETING FLORIDA POTATOES, Season of 1928, has been issued in mimeograph by the Bureau of Agricultural Economics.

MARKETING IMPERIAL VALLEY LETTUCE, Summary of 1928 Season, has been issued in mimeograph by the Bureau of Agricultural Economics.

"ECONOMIC INFORMATION IN THE BUREAU OF AGRICULTURAL ECONOMICS AVAILABLE FOR EXTENSION" by Nils A. Olsen, chief, Bureau of Agricultural Economics, has been issued in mimeograph.

"THE ECONOMIC BASIS OF FARM LAND VALUES," by E.H. Wiecking, has been issued in mimeograph by the Bureau of Agricultural Economics.

IN CONGRESS:

H. R. 53, by Mr. Gilbert, to provide for the collection and publication of statistics of tobacco by the Department of Agriculture, has passed both Houses and has been forwarded to the President of the United States for signature.

H.R.15848, by Mr. Anthony, making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1929, and prior fiscal years, to provide urgent supplementary appropriations for the fiscal year ending June 30, 1929, has been reported out of the Senate Committee. (Report No. 1417)

S. 5148, by Senator Brookhart, to amend section 13 of the act of March 4, 1923, entitled "An act to provide for the classification of civilian positions within the District of Columbia and in the field service," as amended by the act of May 28, 1928, has been reported out of the Senate Committee. (Report No. 1416)

Bills Introduced:

H.R.16031, by Mr. Haugen, to amend sections 4, 6, 8, 9, 10, 11, 12, 25, 26 and 30 of the United States Warehouse act, approved August 11, 1916.

H.R.16029, by Mr. Lehlbach, to amend and supplement an act entitled "An act to amend the salary rates contained in the compensation schedules of the act of March 4, 1923, entitled 'An act to provide for the classification of civilian positions within the District of Columbia and in the field service'", approved May 28, 1928.

H.R.16134 and H.R.16168, by Mr. Sirovich, to amend the act entitled "The classification act of 1923".

S. 5230, by Senator Bruce, amending an act to amend the act entitled "An act for the retirement of employees in the classified civil service," approved May 22, 1922, and acts in amendment thereof.

S. 5307, by Senator Hayden, equalizing annual leave of employees of the Department of Agriculture stationed outside of the continental limits of the United States.

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"SOME FACTORS AFFECTING POTATO ACREAGE AND PRODUCTION IN RECENT YEARS" By W. F. Callander, has been issued in mimeograph by the Bureau of Agricultural Economics.

STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 23, 1929

Vol. 9, \$0. 4.

### TEXAS STUDYING MOVEMENT OF FRUITS AND VEGETABLES.

A study of transportation problems connected with the movement of Lower Rio Grande Valley fruits and vegetables has been launched by the Division of Farm and Ranch Economics of the Texas Agricultural Experiment Station. Particular emphasis is to be given to mixed carlots as offering possibilities of reaching markets too small to consume straight carlots

Problems connected with assembling of mixed carlots will be examined; freight rates and routing arrangements will be studied; the possibilities of the various "in transit" privileges will be considered; factors involved in making sales connections between shippers of mixed carlots and receivers in small markets will be investigated; and an index on consuming capacity of the various markets as a guide in proper proportioning of the different commodities in the carlot will be determined. The study will be conducted by W. E. Paulson, marketing research specialist, Texas Agricultural Experiment Station.

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### MASSACHUSETTS FINDS ROADSIDE MARKETS POPULAR.

A survey of roadside stands in Massachusetts has disclosed that freshness, quality, and price are the three principal factors considered by consumers who buy farm produce at these stands, according to Harold T. McCarthy, Massachusetts Division of Markets. Approximately 70 per cent of the consumers answering questionnaires regard the roadside stands as satisfactory places to buy products. Of the three factors, freshness of produce is the most important. The records of nearly 200 stands were examined and several thousand consumers replied to questionnaires.

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### NEW YORK POULTRY STUDENTS STUDY GOTHAM MARKET.

A study of the New York City poultry market, made by the class in poultry marketing at Cornell University, discloses that on this market the Asiatic and American class birds have the largest demand; the trade pays a premium on well-fleshed and fattened birds; the Long Island White Pekin duck is most in demand; consumers buy almost completely on appearance, and that most commission men will also handle turkeys, rabbits, ducks, geese, pigeons and most any other small stock as well as poultry.

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Attn., Miss Trillager,  
Washington, D. C.

NATION-WIDE RADIO BROADCAST  
ON FARM OUTLOOK.

A nation-wide radio broadcast on the agricultural outlook for 1929, in which the Secretary of Agriculture, the chairman of the agricultural committees of both Houses of Congress, Federal agricultural economists, and the United States Marine Band will participate, will go on the air from a network of stations associated with the National Broadcasting Company at 1:45 p.m. Eastern Standard Time, January 28.

The hook-up will be the largest ever linked for a radio program designed especially for the farm radio audience.

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TYPES OF FARMING STUDIES AS  
BASIS OF RESEARCH PROGRAMS.

A series of types-of-farming studies is being made, in cooperation with a number of States, by the Bureau of Agricultural Economics, to provide a basis for definite programs of research and agricultural extension which call for accurate descriptions of farming systems and physical conditions in particular areas.

The first of this series of studies has been completed and published in Technical Bulletin No. 102-T, entitled "Types of Farming in North Dakota," issued by the United States Department of Agriculture.

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COOPERATIVES IMPROVE QUALITY  
OF FARM PRODUCTS.

Improvement of the quality of farm products is one of the outstanding results of farmers' cooperative marketing organizations, according to Chris L. Christensen, Bureau of Agricultural Economics.

"Cooperative associations," Mr. Christensen says, "have influenced the marketing of agricultural products because they represent the producer. They have brought the producers' point of view into marketing and, on the other hand, they have brought a knowledge of market demands back to the producer. They have effected improvements in grading and handling farm products, and have brought about also definite improvements in production."

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DAIRYMEN URGED TO  
CUT PRODUCTION COSTS.

Increasing competition for eastern markets is making it imperative that dairymen of New Jersey and nearby states focus attention upon further economies in production, according to Dr. J.G. Lipman, director, New Jersey Experiment Station. He says that increasing demand for milk may be expected as a result of the continual growth of towns and cities. He recommends larger producing units where labor efficiency can be increased through specialization and labor-saving devices of all sorts may be used more effectively.

NEW YORK MAKES STUDY  
OF TRACTOR COSTS.

A study of costs of operating tractors on 175 New York farms recently made by C.W. Gilbert, New York Extension Service, showed that, on the average, it cost 85.7 cents per hour to operate a tractor, not including the operator's time. Depreciation amounts to 36.18 per cent, fuel 32.90 per cent, interest 9.62 per cent, lubrication 9.43 per cent, repairs and mechanic's labor (not including operator) 6.04 per cent, and other costs 5.83 per cent of the total cost. On fruit and crop farms studied, tractors have replaced from 2.8 to 4.7 horses on the average, but only 1.3 horses were displaced on the average dairy farm studied.

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NEW JERSEY POTATO GROWERS  
URGED TO GRADE CROP.

Grading would be worth a million dollars a year to the potato growers of New Jersey, according to H. R. Talmage, New Jersey Department of Agriculture. He says that Long Island growers have prospered because of the high quality of their product despite the very high growing costs as the prices received due to quality have more than offset this high cost of production.

"New Jersey potatoes, as sent to market, have not been properly graded," he declares. "There have been times during the past few months when Idaho potatoes were selling for almost as much f.o.b. as the New Jersey potato. Independent truckmen, with no reputation to lose and a willingness to take ungraded potatoes, are a serious detriment to the New Jersey potato industry. Long Island farmers refuse to sell to independent truckmen. They sell only to the regular buyers."

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TEXAS MAKING STUDY OF  
TYPES-OF-FARMING.

A types-of-farming study being made in Texas by the Texas Experiment Station in cooperation with the Bureau of Agricultural Economics is intended to locate and delineate the different type-of-farming areas in the State in which there are similar crop and livestock organizations and similar physical conditions with respect to soil type, climate, and topography; to determine present organization of farms in these areas, changes which are taking place in the type-of-farming in each area, and the factors responsible for these changes; and to set up typical farming systems for farms of different sizes for use in subsequently determining both long-time and year to year adjustments in farming systems in each area in the light of changing economic conditions.

C. A. Bonnen, Texas Agricultural Experiment Station, and F. F. Elliott, Bureau of Agricultural Economics, are leaders in the project.

SAYS ONE-MAN EGG FARM  
YIELDS \$2 PER BIRD.

Approximately \$2 per bird, or \$2,000 for a flock of 1,000 Leghorn pullets, is the annual net return that may "reasonably" be expected from a one-man commercial egg farm of that size, according to Prof. Willard C. Thompson, New Jersey Experiment Station.

Production of table eggs alone cannot be counted upon to furnish a wide margin of profit, he says, unless the farm is conducted on an extensive scale, because of high production costs. Prof. Thompson suggests that to increase his income the poultryman should take advantage of the greater possibilities offered in poultry breeding.

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RECENT PUBLICATIONS

Recent mimeographs from the Bureau of Agricultural Economics include the following:

"The Relationship of Farm Buildings and Improved Roads to Land Values," by E. H. Wiecking, Division of Land Economics.

"Fundamental Principles That must be Considered in Programs for Handling Commodity Problems," by Nils A. Olsen, chief of bureau.

"Trends in Truck Crops and Markets," by W. A. Sherman, Division of Fruits and Vegetables.

"Tales the Dairy Markets Tell," by L. M. Davis, Division of Dairy and Poultry Products.

"Inspection and Grading of Live Poultry for Carlot Shipment and for the Feeding Station," by T. H. Heitz, Division of Dairy and Poultry Products.

"A High Standard of Living," by Dr. C. J. Gapin, Division of Farm Population and Rural Life.

"What About the Cattle Market?" by C. V. Whalin, Division of Livestock, Meats, and Wool.

"Policies and Practices of Cooperative Marketing Associations relative to Organizing, Standardizing, Merchandising."

Grain Grading, Development and Structure of Grades."

"How Does the Lamb Market Look?" by H. M. Conway, Division Livestoc Meats, and Wool.

"What Three Years of Farm Foreclosure Statistics Show," by Dr. L. C. Gray, Division of Land Economics.

LOSS DUE TO NON-DELIVERY OF CATTLE  
AT SPECIFIED TIME. CHARGEABLE TO RAILROAD.

Missouri & N. A. Railroad Company v. Potts, et al.  
Supreme Court of Arkansas, November 1928. (10 S.W. 515)

Action by Potts against the railroad company. Judgment for plaintiff, and defendant appeals. Affirmed.

Potts sued the railroad company to recover damage sustained on a shipment of cattle to East St. Louis, Illinois, by reason of negligence of carrier in failing to move car of cattle from Everton, Arkansas, in time to reach East St. Louis at a certain market period, as agreed. A delay of one day in arrival, according to plaintiff, was the cause of the poor condition of the cattle through bruising, etc. to such an extent that the loss suffered was \$300. Plaintiff alleged that arrangements were made with agent of the railroad company at Everton for the placing of car in which to ship the cattle under conditions that the cattle should be delivered at East St. Louis at a specified time. The cattle were received at shipping point and loaded, but the shipment did not reach St. Louis in accordance with the agreement. Judgment therefore was for plaintiff.

The railroad company challenged the verdict on the ground that even if the car had left Everton at an earlier time it would have made no difference as the through train it met to reach East St. Louis did not arrive there on schedule time. In passing upon this point, the court in its opinion stated:

"It was therefore not a question of whether appellant's train reached Seligman on schedule time, or that they reached the same train on the Frisco they would have reached if appellant's train had arrived on schedule time at Seligman, but it is a question of the appellant's negligence in inviting the shipment at such an hour that it had no facilities to move the cattle promptly to Seligman. Appellees had the right to assume that appellant and the agent invited the shipment for 9 o'clock on Saturday, in response to a query from them as to when they must be delivered at the pens to reach the St. Louis market on Monday, that they would thus be transported in time to reach the market, and if appellant failed to do so to the damage of appellees, they would be answerable therefor.

We find no error, and the judgment is affirmed."

H. F. Fitts.

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CONTRACTUAL RIGHTS AGAINST RAILROAD REST IN SHIPPER

Wirch v. Chicago, M. & St. P. Ry. Co.,  
Supreme Court of Wisconsin,  
December, 1928. (222 N.W. 232)

Action again the railroad company was instituted by Wirch to recover the value of carload of hay loaded by him on one of the railroad com-

pany's cars at Omro, Wisconsin, and then shipped out of the State. Judgment for plaintiff, and defendant appeals. Revised.

It appears that plaintiff, a farmer near Omro, entered into a contract for the sale of his alfalfa hay to be delivered on car at Omro to Callieri Brothers, wholesale dealers. Callieri gave written order to railroad agent at Omro for car to be sent for shipment. This was done on the following day, when plaintiff loaded the car expecting that Callieri would be there to pay the agreed price, \$245. No one appeared and payment was not then made. On the following day Callieri directed shipment of the car from Omro on uniform bill of lading to their order at East St. Louis, Illinois. After said shipment, efforts were made by the station agent at the request of plaintiff to locate and hold the car while in transit, but without success. Judgment was given plaintiff for the conceded value of the hay.

On appeal the finding of the court was to the effect that no legal support could be found for such a judgment; that the car was ordered by the shippers, Callieri Brothers, and delivered and held at Omro subject to their orders for shipment; that the plaintiff cannot be considered as occupying the relationship of shipper so far as the railroad was concerned, but that Callieri Brothers alone had the lawful right to have the hay shipped and to require the railroad company to make out the bill of lading, as it did, and forward car according to their instructions; that contracts of this kind are no longer matters of private contract between carrier and shipper. Discussing the case further, the court expressed the opinion that the defendant could not make a lawful contract with plaintiff, an outsider, in any way to interrupt or interfere with their statutory duties as common carriers toward shippers, and that as against the rights of shippers the railroad could not contract to assume the responsibility of aiding a third person dealing with the shippers or of substituting its aid for the remedies the law gives to such third person; that the plaintiff therefore has no right to recover on any theory of a contract between him and the common carrier as to the shipment of his hay.

H. F. Fitts

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H. R. 53, by Mr. Gilbert, to provide for the collection and publication of statistics of tobacco by the Department of Agriculture, has been signed by the President of the United States.

Bills Introduced:

H.R. 16212, by Mr. Dickinson, to provide for research work in connection with the utilization of agricultural products other than forest products.

S. 5376, by Senator Copeland, to provide for the inspection of poultry and poultry products.

H.J.Res.382, by Mr. Fish, to send delegates and an exhibit to the fourth World's Poultry Congress to be held in England in 1930.

H.Doc.509, by the President, transmitting a report by the Secretary of State recommending that Congress be requested to authorize an appropriation of \$40,000 for the participation of the United States by official delegates and a national exhibit, in the Fourth World's Poultry Congress to be held in England in 1930.

## MARKETING ACTIVITIES

BRAH

AND OTHER ECONOMIC WORK

RECEIVED

FEB 6 1929 ★

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON

U.S. Department of Agriculture

1929  
M 30  
January 30, 1929

Vol. 9, No. 5

OUTLOOK CALLS FOR CONTINUED  
AGRICULTURAL ADJUSTMENT.

Farmers should continue their efforts to adjust production to demand and avoid increasing production of these products which are now in ample supply if they are to maintain the present level of gross income of agriculture, according to the annual agricultural Outlook report issued by the Bureau of Agricultural Economics.

Some expansion in beef cattle may be warranted, says the bureau, but farmers are cautioned against too rapid expansion of sheep, dairy cattle hogs, and fruits. Some reduction is recommended for potatoes and feed crops. The domestic demand for farm products is expected to be maintained during the early part of this year, with foreign demand continuing about the same as during 1928.

The higher interest rates affecting farmers in some sections of the country may result in a less favorable agricultural credit situation, according to the report, but little change is expected in prices of farm machinery, fertilizers, and building materials, and farm wages are expected to be slightly lower at harvest time. (Continued on p. 29)

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QUARTERLY TOBACCO STOCKS  
REPORTS TO BE ISSUED.

Issuance of quarterly reports of tobacco stocks by classifications and standards established by the United States Department of Agriculture, as provided in the Gilbert bill which was signed by the President January 14, has been delegated to the Bureau of Agricultural Economics.

The new bill supersedes the Act of April 30, 1912 providing for the collection of tobacco statistics by the Bureau of the Census... It directs the Department of Agriculture to collect and publish information not only as to stocks of tobacco by types, as previously reported by the Census, but reports of tobacco by groups of grades as well.

Under the terms of the new legislation, dealers, manufacturers, growers, cooperative associations, warehousemen, brokers, or owners, other than original growers, are required to furnish the Department of Agriculture with information quarterly as of January 1, April 1, July 1, and October 1 of each year. The reports will show stocks of tobacco for the last four crop years, including the year of the report, which will be shown separately.

As soon as funds are provided under the new legislation, further announcement will be made by the bureau as to the organization for carrying on the work.

PENNSYLVANIA FARMERS TOLD  
HOW TO CUT DAIRYING COSTS...

Increased acreages of alfalfa and clover as a means of providing the dairy industry in Pennsylvania a cheaper source of protein than mill feeds and concentrates were urged by W. H. Hosterman, hay marketing specialist, Bureau of Agricultural Economics, addressing the Pennsylvania Dairymen's Association at Harrisburg, Pa., January 23.

"The cost of a well-balanced ration for dairy cows," Mr. Hosterman said, "is usually lowered materially by the use of good quality legume hays. Both alfalfa and clover are more nutritious than grass hays such as timothy because they contain larger amounts of digestible protein and lime. While it is not considered advisable to substitute legume hays entirely for concentrates in the rations, they should be used to a far greater extent than at present in most dairy communities to reduce the cost of the ration."

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COOPERATIVE LIVESTOCK PRODUCERS  
REPORT BEST YEAR IN SEVEN.

The National Livestock Producers Association, following a four-day session at Chicago, January 23-26, announced the most successful year in its seven years of operation. The Association reported that the total volume of business in 1928 of the twelve producers commission associations which handle the terminal market operations for the association amounted to 84,642 carloads of cattle, calves, sheep and hogs, or 13.7 percent of the total market receipts.

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POTATO ASSOCIATION WOULD  
ADVERTISE PRODUCT.

A special campaign of advertising and education to call attention to the high food value of potatoes was endorsed by the Potato Association of America in session at New York City, December 27-29.

It was brought out at the meetings that by means of intensive advertising "such foods as macaroni and rice are gradually pushing potatoes from the market in certain sections and these foods have a lower food value than potatoes."

To avoid repetition of the over-production of 1928, the Association recommended that potato acreage should be reduced but that the reduction should apply to marginal lands, rather than to those areas where highquality potatoes may be produced at low cost. Growers were urged to use certified seed stock, proper fertilizers, suitable crop rotation systems, and the best spraying practices.

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APPROXIMATELY 257,000 short tons of cottonseed meal, or slightly more than 12 per cent of the crushings from the 1927 cotton crop, were used for fertilizer.

RAILROAD'S LIABILITY ENDS WITH PLACING OF CARS  
OF LIVESTOCK AT USUAL POINT OF DELIVERY.

Columbus and G. Ry. Co. vs. Owens

Supreme Court of Mississippi, November, 1928.  
(118 So. 900)

Action by Owens against the railroad company. From judgment for plaintiff the defendant appeals. Reversed. Railroad company appealed from judgment awarding Owens damages for the death of live stock shipped by him over the lines of the railroad. It appears that Owens delivered to the railroad at Greenville, Mississippi, 149 mules for transportation and delivery to himself at Plaata, Florida. Upon arrival of cars at Palatka arrangements were made by railroad with a man whom this employee thought represented by railroad employee with a man whom this employee thought represented the shipper, for placing the stock in a yard nearby. The stock were unloaded by a man under supervision of the railroad employee and fed and watered, which service was paid for by Owens. The stock were apparently in good condition when uncaded and remained in the yard from Friday, when they were unloaded, until after Sunday. On Saturday some of the animals became sick and 18 of them died. Evidence was introduced showing that the feed for the stock was placed in an old iron tank, the inside of which was covered with iron rust and scales several inches deep, and upon examination by a veterinarian he declared that the mules died as a result of such rust in their stomachs.

Owens had no representative in Palatka and did not give the name of any person authorized to accept the delivery of the stock for him. The railroad's requests for instructions of the court below were denied and were in effect that inasmuch as the railroad had delivered the stock at the accustomed place where they usually were unloaded, it was then the duty of Owens to take charge of them and that anything which the railroad did to care for them was purely voluntary and that the employee so acting was the agent of the owner and not the railroad. Request for such instructions was based upon the consolidated freight classification certified by the Interstate Commerce Commission, which states that delivery to the carrier does not commence until the stock has been placed in the car and that the responsibility of the carrier ceases upon delivery of the car at the usual place of delivery at the station to which consigned; that the railroad assumes no responsibility whatever in regard to loading and unloading, etc.

In discussing this point the court here stated that as the shipper had no representative at unloading point, it was impossible to notify him and that the carrier therefore was relieved of any duty to do so; that had the shipper been notified of the arrival of the stock, it would have been his duty under the I. C. C. classification to have appeared and accepted delivery of the stock, whereupon the responsibility of the railroad would have ceased, and that the shipper could not have increased the responsibility of the railroad by declining to receive the stock; that under the classifica-

tion the delivering carrier's employees must be considered agents of the shipper and not of the carrier while unloading and caring for the stock; and that it follows therefore that the railroad is not liable for the injury to the stock after unloading.

H. F. Fitts.

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IN CONGRESS:

An amendment has been offered by Senator Harrison to increase the Market News Service appropriation by \$5,400 to provide for the extension of the leased wire from Montgomery, Alabama to Jackson, Mississippi.

Hearings are being held by the House Agricultural Committee on the Fulmer bill (H. R. 14938) to provide for the use of net weights, \*\*\* and for the standardization of bale covering for cotton \*\*\*.

H. R. 13646, by Mr. Vinson, for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton futures exchanges, passed the House on January 21.

S. 4206, by Senator Heflin, authorizing the Director of the Census to collect and publish certain additional cotton statistics has been passed by the Senate and reported out of the House Committee on the Census with amendments.

H. J. Res. 382, by Mr. Fish, to send delegates and an exhibit to the 4th World Poultry Congress, was reported out of Committee.

Bills Introduced:

S. 5474, by Senator Heflin, authorizing the Director of the Census to collect and publish certain additional cotton statistics.

H.R. 16501, by Mr. Fish, authorizing an appropriation of \$50,000 for the purchase of seed and fertilizer to be supplied to farmers in the flood section of Orange, County, N. Y.

H.R. 16438, by Mr. Lehlbach, to amend the act entitled "an act entitled 'An act for the retirement of employees in the classified civil service and for other purposes' approved May 22, 1920, and acts in amendment thereof." approved July 3, 1926.

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"Cooperative Butter Marketing in Wisconsin" has been published as Bulletin 401 by the Wisconsin Experiment Station, Madison, Wisconsin.

"When Shall We Sell Our Corn? has been published as Circular 113 by Iowa Experiment Station, Ames, Iowa.

Agricultural Outlook (Cont'd)

A summary of the recommendations on leading crops and livestock follows:

It is probable that the world supply and demand for wheat in the 1929-30 season will be somewhat more favorable for marketing the wheat crop of the United States than they were in the 1928-29 season. In view of the probability of another large crop of hard winter wheat in 1929, spring wheat farmers should hesitate to increase their present acreage of hard spring wheat. They may find it advantageous to decrease it somewhat, particularly if the hard winter wheat crop comes through the winter in good condition. Durum wheat prices will probably continue relatively low, unless the acreage in the United States is materially curtailed or production in other competing countries reduced.

As rye prices depend upon wheat prices, the reduced production of rye can not be expected to improve prices unless there is an improvement in wheat prices.

The low farm price of oats again this season emphasizes the limited market for this grain and the desirability of restricting production for market to localities where conditions are particularly favorable for good yields.

Little if any improvement in the market for cash barley may be expected for the 1929 crop, even should acreage be somewhat reduced and average yield secured.

With lower feeding requirements and probably a lower European demand corn prices may be lower than for the crops of 1927 and 1928. Corn prices during the summer, although largely determined by new crop prospects, will probably not be supported this year by unusually short farm supplies.

Present indications are that flax will be a relatively more profitable crop in 1929 than other spring grains grown for market in the areas suitable for flax production. A 30 per cent increase in acreage would still probably leave our production well below domestic requirements.

The outlook for rice is better than it was last year. Although the present low prices of rice in the world markets may discourage production next year in some foreign countries, it appears that over a longer period American rice producers can expect no material decline in foreign competition.

Prospective commercial requirements for broomcorn during 1929 appear to justify a small increase in broomcorn acreage over that harvested in 1928.

Since a provision of the appropriation act for the U. S. Department of Agriculture prohibits the making of any statement regarding the future prices of cotton or the trend of same, no report on the outlook for cotton has been prepared.

The outlook for the cattle industry continues favorable with prices about at the peak of the cycle. This does not appear to be a favorable time for new producers to enter the industry. Those already in, may profit by moderate expansion during the next two or three years even though prices

go somewhat lower.

The hog outlook for 1929 is favorable. Slaughter is expected to be considerable smaller than in 1928, with some improvement in foreign demand and no material change in domestic demand. The seasonal levels of hog prices in 1929 and 1930 are expected to average higher than in 1928. Stabilization of hog production at a level represented by the pig crop of 1928 appears to be the most suitable program for securing a profitable balance between corn and hog production in the Corn Belt.

Returns from dairying will continue to vary rather sharply from season to season according to pastures, feed conditions, and urban demand. The gradually increasing demand for milk and milk products will probably maintain about the present spread between the prices of feed and the prices of dairy products until there is such a material change in the beef situation that farmers will increase milk production by miling a larger number of beef-type cows.

Although increased numbers of sheep in this country have not as yet affected the markets, caution should enter into production plans as present lamb prices can not be maintained if expansion is continued too rapidly. Sheep numbers continued to increase during 1928 and the lamb crop this year may show some increase above last year. Active business conditions will continue to help support the lamb and wool market well through 1929, with possible slackening in late 1929 or in 1930.

The outlook for mohair producers in the United States is fairly good but not quite so good as it was at this time last year. Domestic production appears to be increasing more rapidly than consumption in the United States; foreign consumption in 1928 was less than in 1927.

Horse prices during 1929 may continue upward, especially in Eastern States. Mule prices during 1929 are expected to remain higher than during 1927, and may even exceed the prices of 1928.

The prospective poultry supply and demand situation indicates higher prices during the first half of the current year than prevailed a year ago and prices for eggs during the first six months lower than those in 1928 but higher than those in 1927. The situation is favorable to the producer of poultry because of the relatively smaller stocks of chickens on farms, smaller cold storage holdings and larger supplies of feed.

Hay prices for the 1929 crop may not average as high as for the 1928 crop, but will probably be higher than those for 1927, if yields and quality in 1929 are average and if production is well distributed in the principal surplus producing hay areas. The present high prices for hay were caused principally by a shortage in the important shipping States rather than by a reduction in the crop as a whole.

The feed supply, including feed grains, feedstuffs, and hay, is slightly larger than last year, and well above the average of the past five years. Prices of these commodities may be expected to hold generally steady until spring pasturage is available, since more cattle are on feed and prices of livestock and dairy products are generally favorable to a maintenance of relatively heavy consumption of concentrates, legume hay, and feed grains.

Potato growers are now planning to plant an acreage 11 per cent smaller than they planted last year, indicating the probability of harvested acreage slightly below that of 1927. If average weather conditions are experienced this season, and the yield follows the trend of recent years, a yield of about 117 bushels per acre must be expected. If this yield is secured on an acreage 11 per cent below that available for harvest in 1928, production will be around 400 million bushels. Considering the reduced outlet for early potatoes because of stocks on hand, this would be a sufficient supply.

A moderate increase in acreage of sweet potatoes and some increase in yield are to be expected but nothing in the situation indicates the probability of the serious over-planting of sweet potatoes that occurred in 1927.

An average yield of beans in 1929 on an acreage 10 per cent greater than that harvested in 1928 would produce about the supply needed, provided such increased acreage is properly apportioned among the different classes, according to demand. A greater acreage increase, or a yield much above average, might put the market on an export basis with drastic price reductions.

The immediate market outlook for old cabbage and for the early cabbage crop is favorable by the light holdings in northern storage, but if intentions of heavy plantings of southern cabbage are carried out, prices will be reduced. Northern main-crop cabbage should be held close to last season's moderate plantings.

Any increase in onion acreage in the late main-crop or Northern area would probably result in lower prices in 1929.

After several years of extremely rapid expansion of lettuce acreage, the point has been reached at which a substantial immediate increase seems undesirable, particularly in Western States, until the market develops greater capacity.

The 1929 outlook for citrus fruits indicates as did those of the three previous years, a considerable increase in the bearing acreages of grapefruit and oranges. Many trees now in bearing have not reached the age of maximum yield and a large increase over production in recent years may be expected in years when favorable growing weather prevails. Under these conditions price levels below those of recent years may be anticipated.

Commercial production of apples for the country as a whole will continue at a high level and probably will increase over a period of 5 or 10 years. The rate of increase is likely to be lower than during the last 10 years, but with the large number of trees now in orchards the possibility of heavy production and low prices will continue.

The outlook is for continued heavy production of peaches for the next few seasons, whenever weather conditions are favorable.

Heavy production of grapes in the West is in prospect for several years to come. It appears that any probable immediate increase in consumption will be too limited to aid in marketing the crop unless aided by an immediate reduction in acreage, particularly in California.

Acreage of strawberries in the early and the late shipping States, where there is only limited competition, does not appear to be excessive, and market prospects in those areas are fairly good but acreage is excessive.

In general about the same cantaloupe acreage for the United States as a whole as in 1928, with a few sharp local adjustments, will give satisfactory results this season, assuming average growing and marketing conditions.

Unless watermelon acreage is reduced from 10 to 20 per cent below that of 1928, an average yield in 1929 is likely to result in unsatisfactory prices. An average cut of about 15 per cent would limit the producing area close to the more moderate acreage of 1927 and still yield an average crop in an average season.

Probably not more than 25 per cent increase in the production of large-podded, Virginia-type peanuts can be absorbed without lowering the present average price of this type to the farmer. A maintenance this year of the 1928 acreage of Spanish and Runner types of peanuts in the Southeast and Southwest can be expected to result in prices reasonably satisfactory to the grower.

The outlook for cigar types of tobacco in 1929 appears favorable. The present outlook for flue cured tobacco indicates the need for a reduction in acreage in 1929 compared with 1928. A moderate increase in burley acreage might safely be made, but there is grave danger that the burley growers will respond to present prices by overplanting in 1929. The outlook for fire cured and dark air cured tobacco does not justify an increase in acreage in 1929.

Prospects point to a continuation of large world sugar production, with sugar prices at a low level through another year.

The present outlook, based on the condition of honey plants, is for a honey flow in 1929 better than the average of recent years.

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"Marketing Kentucky Poultry," has been published as Bulletin 285 by the Kentucky Experiment Station, Lexington, Kentucky.

"Types of Farming in North Dakota," has been published as Technical Bulletin 102 by the U. S. Department of Agriculture.

"Systems of Livestock Farming for the Mountain Region of North Carolina," has been published as Bulletin 260 by the North Carolina Experiment Station, Raleigh, North Carolina.

"Grain Grading, Development and Structure of Grades," has been issued in mimeograph by the Bureau of Agricultural Economics, Washington, D.C.

## MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

FEB 13 1929

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL

ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

U. S. DEPARTMENT OF AGRICULTURE

February 6, 1929

Vol. 9, No. 6.

NEW JERSEY SEEKS  
UNIFORM MILK GRADES.

Regulations to establish uniform grades of milk in New Jersey were discussed at recent meetings of the New Jersey Milk Conference Board, reports the New Jersey Department of Agriculture. Attorney General Katzenbach informed Secretary Duryee at these meetings that it was within the province of the Department of Agriculture to establish grades for milk, but that in order to be made effective, such promulgated grades should be approved by legislative action. Secretary Duryee told the Board that if a statute did not specify grades there would be difficulty in enforcing them. He said that although the Department of Agriculture were empowered to promulgate the grades, if health measures were necessary as part of the grading the Health Department should necessarily share the responsibility of establishing these grades.

It is expected, says the New Jersey Department of Agriculture, that a law will be proposed that on or after January 1, 1930, no milk shall be sold as Grade A Pasteurized except it be from cows that have not reacted to a tuberculin test or from cows for which an application has been made to the State Veterinarian. All cows producing Grade A Pasteurized milk must be physically examined by a qualified licensed veterinarian every six months. That Grade A Pasteurized milk must be bottled at the place of pasteurization and protected by a cap to safeguard the lip of the bottle from contamination and the 48-hour requirement from producer to consumer will also likely be incorporated in the regulations. It was decided that Grade B Pasteurized as well as all milk sold to the ultimate consumer must be delivered in bottles.

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OUTLINES MARKETING PROGRAM  
FOR WOOL PRODUCTS.

The following program for wool producers, to improve the quality of American wool, and bring about better marketing, has been suggested by J. F. Walker, consulting specialist in wool marketing, United States Department of Agriculture:

- (1) Establishment of wool classing and sheep breeding courses, to be taught from the wool producing standpoint in agricultural colleges;
- (2) Carrying to the wool producer, through the Extension Service, a better knowledge of sheep classing and sorting.
- (3) Adaptation of the classing system, provided a sufficient quantity of wool is available to be worked out through central stores rather than on farm or range.
- (4) Improvement in methods of selling through cooperative associations.

ALABAMA INAUGURATES RADIO  
MARKET NEWS SERVICE.

A market news radio broadcast through station WAPI at Birmingham, Alabama, was inaugurated February 4 by the Alabama Division of Markets. Both the Alabama Polytechnic Institute at Auburn, Alabama, and the State Division of Markets at Montgomery, Alabama, are connected with the Birmingham station by remote control system.

The broadcast by the Division of Markets will include market news reports received at Montgomery over the leased telegraph wire system of the Bureau of Agricultural Economics, and also a full Birmingham market report. The market news work is being developed under the direction of James M. Moore, chief of the Alabama Division of Markets. The broadcasts go on the air at one p.m., central time.

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CALIFORNIA ECONOMIST PREDICTS  
UNPROFITABLE PRUNE PRICES.

"As a result of increasing production, the California prune industry is faced with the probability that, on the average, prune prices will be unprofitably low for an unusually large percentage of growers for several years, unless growers, selling agencies and others financially interested in the industry greatly improve the methods and reduce the costs of marketing and succeed in eliminating low grade prunes from competition with the better grades of table prunes, and unless growers themselves drastically reduce costs of production," according to Dr. S. W. Shear, University of California economist, following a study of the prune supply and price situation.

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SUGAR BEET GROWERS  
CUT PRODUCTION COSTS.

Reduction of the expense of man labor in sugar-beet production is being brought about in many districts by the use of larger equipment that enables more work to be done per man in a given time, reports the U. S. Department of Agriculture in Farmers' Bulletin 1042-F, entitled "Saving Man Labor in Sugar-Beet Fields".

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PENNSYLVANIA FARMERS SHOW  
INTEREST IN POTATO GRADES.

Stimulated by the premium being paid for high-grade Pennsylvania-grown potatoes, farmers in a number of the more important potato-growing counties have requested the Pennsylvania State Bureau of Markets to hold potato grading demonstrations in their respective communities. Several such meetings will be held during the current month.

LIVESTOCK INDUSTRY  
TO HAVE GOOD YEAR.

Prospects for another favorable year for the livestock industry are reported by the Bureau of Agricultural Economics.

The 1929 market supply of hogs is expected to be considerably smaller than that of 1928, with hog prices during the year averaging considerably higher than in 1928. The immediate outlook for cattle, says the bureau, continues favorable, with prices about at the peak of the cycle. Horse prices are advancing. The number of dairy cows is reported as about the same as a year ago, but yearling heifers and heifer calves show some increase in number.

In the past, says the bureau, price situations like that which prevails now in the cattle industry have been followed by increased production and reduced prices. Therefore, the bureau advises against new producers entering the industry, but those already in may profit by moderate expansion during the next two or three years even though prices go somewhat lower than at present.

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LIVESTOCK REPORTERS BROADCAST  
DIRECT FROM STOCKYARDS.

A comprehensive radio broadcasting system in which Government livestock market reporters dispatch daily market conditions direct from the stockyards of the livestock markets at Omaha, Kansas City, St. Joseph, Sioux City, Ft. Worth, and Wichita has been developed by the Bureau of Agricultural Economics.

The Omaha broadcast through station WOW was added to the system January 31. Over this station the Omaha livestock market representatives of the bureau, by means of remote control in the stockyards, will broadcast on a daily schedule the livestock receipts at seven large markets; hog flashes from Omaha, Chicago, Kansas City, and Sioux City; the close of the markets with advance estimates of livestock receipts for the next day; and complete market summaries.

The broadcast from Ft. Worth is through station WBAP, Kansas City WHB, St. Joseph KFEQ, Wichita KFH, and Sioux City KSCJ.

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HARVESTING PERIOD FOR TEXAS  
CITRUS FRUITS EXTENDED.

March 30 has been set as the date on which grapefruit and certain other fruits in Texas must be removed from the trees in the Mexican fruit worm regulated territory. This is one month later than the beginning of the host-free period in 1928. The grapefruit and oranges this season are ripening later than usual, with the result that not much more than half the crop has been moved out to date.

LIABILITY OF SURETY ON WAREHOUSEMAN'S BOND

Maryland Casualty Co. v. Washington Loan & Banking Co.  
Supreme Court of Georgia  
November, 1928 (145 S. E. 761)

From judgment for plaintiff defendant appealed. Affirmed.

Planters Warehouse Co. was chartered for the purpose of owning and operating a warehouse for the storage of goods and farm products "whether the property of the corporation or property of other persons," to act as factor and commission merchant, to make loans and take as security therefor any class of security, etc. The company was licensed under the U. S. Warehouse Act as a bonded warehouse, and as a condition precedent to being licensed was required to give bond, and did give bond with the Maryland Casualty Co., as surety, in accordance with regulations of the U. S. Department of Agriculture. The bond for the year 1926 is involved in this litigation.

The conditions of bond are that principal shall perform all obligations as licensed warehouseman under the laws of the state in which conducting such warehouse, as well as under the terms of the U. S. Warehouse Act and its regulations for cotton warehouses.

In order to secure its note to Washington Loan and Banking Co. the Warehouse company deposited with the bank 80 receipts, each for one bale of cotton. These receipts were issued to itself by the warehouse. The receipts bore endorsement to indicate that the warehouse was the owner of the cotton and that there were no other loans or incumbrances upon it. The receipts also bore the wording, "original negotiable warehouse receipt" and recited that the cotton would be delivered to the order of the warehouse company.

After the warehouse company was placed in the hands of a receiver it was discovered that said bales of cotton, represented by receipts deposited with the bank, had been disposed of without consent of the bank and the proceeds not delivered by warehouse company to the bank. The bank, therefore, brought suit against the warehouse company and the surety on its bond to recover. The Maryland Casualty Co., demurred upon several grounds, among them "that the warehouse company issued or attempted to issue warehouse receipts pledging its own property, which it could not do under the laws of Georgia and the U. S. Warehouse Act."

The court in its opinion here discussed the latter question at length, citing various decisions pro and con.

In discussing the decisions cited wherein it was held that the owner of goods stored in his own warehouse can not issue warehouse receipts covering them in which he professes to hold the goods for another party, the court stated that such decisions are based upon the principle that a contract of storage requires two parties, a bailor and a bailee, and that a delivery of property is requisite for a valid pledge. But in this case the question to be decided is whether a public warehouseman can issue warehouse receipts for his own property and pledge them for money borrowed. In the decisions cited the warehousemen issuing the receipts were not public warehousemen.

The court also stated that by the great weight of authority a public warehouseman can issue receipts for his own goods stored in a public warehouse and pledge them for money borrowed so as to pass the title of goods so stored against creditors to or purchasers from such warehouse; that this principle is sound and does not contradict the familiar principle that in every bailment there must be a bailor and bailee, that a party cannot contract with himself, and that to create the relation of warehouseman there must be stored in his warehouse the goods which are the subject matter of the bailment. It was noted in this connection that the mere issuing of the receipts by the warehouseman to itself did not create a bailment for lack of a bailee, but that when the warehouseman endorsed these receipts and turned them over to the bank the bailment became complete, the warehouseman holding possession for the bank as its bailee.

In discussing this point further the court stated that under its charter the warehouse was expressly permitted to store its own goods and that provision is made in the U. S. Warehouse Act for issuing receipts for agricultural products of which the warehouseman is owner, either solely or jointly, and that under such provisions a warehouseman could lawfully issue to itself receipts for its own goods in storage in its own warehouse and pledge them as collateral with the bank for the loan of money; that the pledging of these receipts placed the title to the cotton represented thereby in the bank and upon its conversion the warehouseman became liable to the bank.

The second question is, "Do the facts show a breach of the bond of the warehouse company?" As to this, it was held that the warehouse company failed to perform the obligations assumed by it as warehouseman to deliver the cotton to the bank as holder of the receipts and for the breach of this obligation the surety on this bond became liable thereunder to the bank; that the purpose of the bond is to protect persons dealing with the warehouseman against fraudulent and unlawful acts of the warehouseman in issuing receipts for goods in which it recites their storage when the recital is false; and that for a breach of this obligation the surety company upon its bond becomes liable to the pledgee of the receipts for the falsity of such a statement.

H. F. Fitts.

IN CONGRESS:

The bill making appropriations for the Department of Agriculture for the fiscal year 1930 has passed the Senate carrying all of the increases added by the Senate Committee and in addition an increase of \$5,400 to cover the extension of the leased wire to Jackson, Mississippi, and \$150,000 for the operation of Center Market, by amendment on the floor. The bill has now gone to conference. The total for the Bureau of Agricultural Economics, in the Senate bill, is \$6,312,660, an increase of \$626,880 over the amount available for the current year, or an increase of \$308,628 after the Welch Act adjustments are made.

H.R.14938, by Mr. Fulmer, to provide for the use of net weights in interstate and foreign commerce transactions in cotton, and to provide for the standardization of bale covering for cotton has been reported out of the Committee with amendment (Rept. No. 2329).

H.R.16031, by Mr. Haugen, to amend sections 4, 6, 8, 9, 10, 11, 12, 25, 26 and 30 of the U. S. Warehouse Act, approved Aug. 11, 1916, has been reported out of the Committee (Rept. No. 2314).

S. 5474, by Senator Heflin, authorizing the Director of the Census to collect and publish certain additional cotton statistics has been reported out of the Committee with amendment, (Rept. No. 1545).

Bills Introduced:

H. R. 16796, by Mr. Summers of Washington to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce.

S. 5632 by Senator Walsh of Montana, to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandise\*\*\*and for acquiring and disseminating information relative to protein in wheat.

H. R. 16643 and H.R.16650, by Mr. Lehlbach, to amend the Reclassification act of March 4, 1923.

S. 5623, by Senator Dale, to amend the Retirement Act of May 22, 1920.

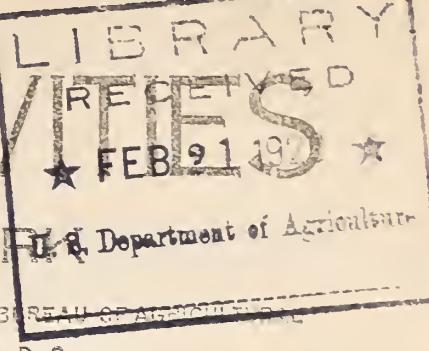
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A SERIES OF THIRTY-TWO OUTLOOK CONFERENCES are being held in Missouri in developing local agricultural production programs for the 1929 season.

STATE AND FEDERAL  
**MARKETING ACTIVITIES**

AND OTHER ECONOMIC WORK

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A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



February 13, 1929

Vol. 9, No. 7

MOTOR TRUCKS BRING OPPORTUNITIES  
TO EASTERN GROWERS.

Modern transportation by motor truck is offering new opportunities for eastern farmers in competing with long rail hauls from distant commercial producing areas, according to Wells A. Sherman, Bureau of Agricultural Economics.

"I believe that if all the facts could be known," Mr. Sherman says, "we would find that the entire territory east of Chicago is rapidly increasing its total production of fruits and vegetables, and that many eastern cities are already receiving a larger percentage of their total supply from relatively nearby sources than they were receiving five or six years ago.

"Highway improvement and motor truck transportation are making it possible for many eastern farmers to grow some products which were out of the question when these farmers were dependent upon wagon transportation. Prior to the development of refrigeration, practically all of our fresh fruit and vegetable production was in the immediate vicinity of the larger cities. Then with the commercial manufacture of ice, the States bordering on Mexico and the Gulf of Mexico began to invade the eastern markets with enormous supplies of fresh products at seasons when eastern growers could not produce them. Now some distant districts are competing with these growers during their own marketing season."

The motor truck, Mr. Sherman says, is enabling nearby producers to meet this competition from distant producing areas, and is effecting far reaching changes in the agencies of distribution. One of these changes is the advent of the itinerant trucker or huckster who operates in fruits and vegetables in units of a small motor truck load. In some sections these men furnish a principal outlet for an increasing number of farmers who produce some fruit or truck as a part of a mixed agriculture. In other parts of the country where few of these products are sold, they operate almost wholly as distributors from the railroad towns.

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FEDERAL HAY INSPECTION  
INAUGURATED AT LOS ANGELES.

Federal hay inspection was made available at Los Angeles under date of February 1, 1929, under cooperative arrangements between the Federal Bureau of Agricultural Economics and the California State Department of Agriculture. Walter J. Morgan, Supervisor, will be in charge of the service, and associated with him a representative of the California department. The address of the joint Federal-State office in Los Angeles is 700 Date Street.

FENTON IN CHARGE OF  
NEW JERSEY MARKET NEWS.

John M. Fenton has been appointed temporarily as specialist in market reporting in the New Jersey State Department of Agriculture, following the resignation of B. W. Sherburne to take a commercial position in Pennsylvania. Mr. Fenton has had considerable experience with Mr. Sherburne in the work, having been connected with the Bureau of Statistics and Inspection.

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RETAIL SEED DEALERS SHOULD BUY  
VERIFIED-ORIGIN ALFALFA SEED.

The relatively small crop of alfalfa seed produced last year has made it more necessary to be cautious about the source of alfalfa seed planted, says the Bureau of Agricultural Economics. Dealers are being advised to protect customers' interests by purchasing alfalfa seed accompanied by a U. S. Verified-Origin Certificate which is their protection against misrepresentation of origin.

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MARYLAND GROWERS INCREASE  
USE OF INSPECTION SERVICE.

Maryland growers and shippers last season sent to the leading markets of the country 2,329 cars of fruits and vegetables bearing Federal-State Shipping Point Inspection Certificates, it is reported by S.B. Shaw, Maryland State Department of Markets. Of the total number of cars inspected, 1,397 or approximately sixty per cent, met the necessary requirements for classification as U.S. No. 1 grade.

Demand for shipping point inspection was heaviest in the early potato producing sections where 399 cars were inspected for shippers and growers. Apple inspections totalled 595 cars, and other inspections included 406 cars of strawberries, 152 cars of tomatoes, 112 cars of sweet potatoes, 57 cars of peaches, and 8 cars of cucumbers.

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GUARANTEED PRICE FOR SOY-  
BEANS PROVES SATISFACTORY.

Contracts in 1928 between soybean oil mills and farmers in Illinois, providing a guaranteed minimum price for soybeans, have proved mutually satisfactory, reports the Bureau of Agricultural Economics. The contracts involved 1,000,000 bushels of soybeans at \$1.35 per bushel, basis U. S. No. 2 grade, bulk, delivered mills. Federal inspection was provided at Bloomington and Peoria. Plans are being made to contract a much larger acreage in 1929, and manufacturers in other sections are showing interest in the arrangement.

MANY NEW DEVELOPMENTS IN  
DAIRY AND POULTRY MARKETING.

New methods now being developed in the merchandising of dairy and poultry products are expected to have a far-reaching effect on these industries, reports the Bureau of Agricultural Economics.

Recent developments include the dressing of poultry at packing establishments, the use of paper containers in retailing milk and cream, the increasing use of canned chicken products, and the rapidly expanding business in frozen eggs. Tank trucks which haul milk in bulk are steadily replacing the once familiar milk can.

At New York and Chicago now it is possible for consumers to buy poultry already drawn, with feet and heads off. The poultry is dressed at point of shipment, thereby effecting savings in transportation costs. This innovation in marketing poultry, say the marketing experts, may lead ultimately to the retail sale of parts of birds, such as a quarter or half a chicken, or just the legs and wings.

Steadily increasing use of canned chicken in which the consumer buys only the meat, and of canned chicken products, are reported. This trade, the bureau believes, has been greatly stimulated by the recently established Government service at some canneries of inspecting for wholesomeness the chickens that are used in canned goods. The packers of such products are permitted to show on the labels that the chicken has had Government inspection.

The greatly increased consumption of bakery products, salad dressing, and candy in recent years has produced a marked expansion in the frozen egg business in this country. These eggs are used chiefly by bakers, confectioners, and mayonnaise manufacturers. The use of frozen eggs by these industries has been a logical development, says the bureau, if only because of easier handling. A baker who uses a crate of eggs a day, for example, finds it more convenient to buy frozen eggs than to break the eggs out of the shells for use.

Whether the retail sale of parts of poultry would increase the total consumption of poultry, the Government investigators do not predict. It would seem, however, that chicken, thus sold, would cease to be a Sunday or holiday luxury, and become an every day article of food consumption. Many housewives would doubtless buy chicken for week-day meals if they could buy for just one meal with nothing left over the next day.

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CALLS FOR BETTER DISTRIBUTION  
OF TAX BURDEN.

Declaring for a more equitable distribution of the tax burden among farmers and city people, Eric Englund, Bureau of Agricultural Economics, says that whereas "farmers are obliged to pay a part of the taxes levied upon others, farmers are unable to shift to others the taxes levied upon farm property." He declares that "new taxes proposed to supplement present revenues of State and local government should be considered in their relation to national taxes, to avoid creating new and serious inequalities in attempting to remedy old ones."

NEW YORK STUDIESMILK HAULING COSTS.

Following a study of comparative costs of hauling milk, the New York State College of Agriculture reports that the cost of hauling milk from farms to country plants in New York State averages about 25 cents per 100 pounds. Leland Spencer, professor of marketing, suggests the following methods of reducing this cost:

1. In most cases where a commercial hauler passes by or near the farm, it is cheaper to send the milk on the route than for the dairyman to haul it himself.

2. The cost of hauling 100 pounds of milk on commercial routes is much less when large loads are hauled. This suggests that the proprietors of the milk plants might help to reduce the costs by contracting for the hauling, making a deduction from the returns for milk, and by aiding the haulers to obtain larger loads.

3. Trucks have a great advantage over horses on the commercial routes provided road conditions are satisfactory for their use. Road improvement and snow removal help to reduce hauling costs both for commercial haulers and for dairymen who haul their own milk.

4. Where no commercial route is available, dairymen may reduce hauling costs by either hauling for some of the neighbors or hiring a neighbor to haul milk. Most frequently this is done by exchanging services rather than by hauling for hire. Either method provides a larger load and thereby reduces the cost per 100 pounds of milk.

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IOWA TAXES TAKE LARGESHARE OF FARM INCOME.

Taxes took on an average more than 28 per cent of the net rent, before deducting taxes, of cash-rented farms in Iowa in 1926 and 1927. On share-rented farms in 1926, the percentage was 27. In the years 1913-1915, the percentage on cash-rented farms was 14 and on share-rented less than 8. These are some of the results of a cooperative investigation of the relation of property taxes to property earnings made by Whitney Coombs of the Bureau of Agricultural Economics and Iowa State College of Agriculture.

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AGRICULTURAL COOPERATIVESIN SOUTH MAKE PROGRESS.

Vast improvement in the organization and operation of cooperative marketing associations in the Southern States, as compared with earlier attempts at group action in marketing crops, is reported by J. E. Wells, Jr., Bureau of Agricultural Economics. Mr. Wells reports a steady increase in the proportion of direct-to-mill sales of cotton by the cotton cooperatives.

ONE THOUSAND OUTLOOK  
MEETINGS TO BE HELD.

Of the forty-five states represented at the Outlook Conference of the Bureau of Agricultural Economics last month, forty states will put out printed or mimeographed outlook reports for their respective states; two states will not issue special reports but will combine outlook material with other published information from month to month; three states have not decided upon their plans, and the three states not represented at the Washington conference will confine themselves to distributing the Federal Outlook.

A total of more than 1,000 outlook meetings are in progress or yet to be held in the various states, and more than 275 extension workers and college economists will be employed in this work. The agricultural outlook report issued by the Bureau of Agricultural Economics was mailed to the states on February 9-11, as Miscellaneous Publication No. 44. A total of 250,000 copies of this report are being distributed to farmers, country banks, extension agencies, and others.

The following report from Illinois describes the type of outlook meetings being held in numerous states:

"To help Illinois farmers take some of the guesswork out of their 1929 plans, a series of 15 outlook meetings has been scheduled by the College of Agriculture, University of Illinois for strategic points in the state during the last two weeks in February. Facts and information which farmers of the state will need in making the year's plans will be reported upon and discussed in the meetings.

"Serving as the magnet which will bring farmers together in the series of sectional meetings will be the annual Illinois agricultural outlook report, just issued by the college. Information presented at the February conferences is expected to throw some light on the long-time program which the adjustment project is developing, as well as give farmers the pertinent facts on the current economic position of various farm products.

"Following the 15 district meetings, county outlook meetings will be held by farm and home advisers to give wider distribution to the facts and information contained in the outlook report. Attendance at the 15 outlook conferences will be made up of those who sat in on the eight regional conferences when the adjustment project was launched this past fall. This will include a committee of ten farm men and women from each county in the state, in addition to farm and home advisers. Each of the 15 meetings also will be attended by four staff members from the agricultural college representing field crops, livestock, dairy, agricultural economics, farm management and home economics. Horticulture will be represented in those areas where it is most important."

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"Progress in Price Analysis and an Appraisal of Success in Price Forecasting", an address by Dr. O. C. Stine, principal agricultural economist, has been issued in mimeograph by the Bureau of Agricultural Economics.

IN CONGRESS:

H.R.16643, by Mr. Lehlbach, to amend and supplement an act entitled "An act to amend the salary rates contained in the compensation schedules of the act of March 4, 1923, entitled "An act to provide for the classification of civilian positions within the District of Columbia and in the field service," approved May 28, 1928, has been reported out of the Committee with amendments (Rept. No. 2391).

Bills Introduced:

S.J.Res. 212, by Mr. Fess to send delegates and an exhibit to the fourth world's poultry congress to be held in England in 1930.

S. 5691, by Senator Jones, to establish revolving funds for loans by Federal land banks to cooperative associations for the production of mineral fertilizer.

H.Res. 308, by Mr. Haugen, for the consideration of S.J.Res. 182, for the relief of farmers in the storm and flood stricken areas of the southeastern United States. A similar bill, S. 5743, by Senator Copeland, would authorize an appropriation of \$50,000 for the purchase of seed, feed and fertilizer to be supplied to farmers in the flooded sections of Orange County New York.

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Recent Mimeographs  
Bureau of Agricultural Economics.

"Marketing Imperial Valley Cantaloupes, Summary of 1928 Season."

"Crop and Market Reports and Periodicals Issued by the Bureau of Agricultural Economics."

"Significant Trends Among Agricultural Cooperatives" by Chris L. Christensen. (A report of progress during 1928)

x "Facts Regarding the Live Poultry Industry in New York City," by Dr. F. A. Buechel.

"Publications issued by the Bureau of Agricultural Economics."

"Marketing Florida Snap Beans and Peppers, Summary of 1927-1928 Season."

-00-

"Cooperative Marketing of Livestock in North Dakota" has been issued as Bulletin 223 by the North Dakota Experiment Station, Fargo.

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**MARKETING ACTIVITIES** ★ FEB 26 1929  
AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

February 20, 1929

Vol. 9, No. 8.

SECRETARY JARDINE ANNOUNCES  
RETIREMENT FROM CABINET.

Secretary Jardine of the United States Department of Agriculture has announced his retirement from the Cabinet on March 4 to become Counsel for the Federated Fruit and Vegetable Growers, with his offices at Washington, D. C.

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EGGS IMPORTED INTO ENGLAND  
MUST BE STAMPED.

Shell eggs imported into the United Kingdom after April 21 must be stamped with an indication of origin, according to information received by the Bureau of Agricultural Economics from its London representative. An Order in Council issued at Buckingham Palace, December 21, reads in part:

"It shall not be lawful to import any hen or duck eggs in shell into the United Kingdom, nor to sell or expose for sale in the United Kingdom any imported hen or duck eggs in shell, unless they bear an identification of origin.

"The indication of origin shall be conspicuously and durably marked in ink on the shell of each imported egg in letters not less than two millimetres in height."

The Order provides also for indicating the origin of currants, sultanas, raisins, oat products, and dried eggs imported into the United Kingdom.

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SHOULD ADJUST MILK PRODUCTION  
TO MARKET REQUIREMENTS.

If milk production were adjusted more closely to the market requirements at different seasons of the year, a much larger proportion of the whole supply could be sold at the higher prices which are obtained for fresh fluid milk, according to Professor Leland Spencer, New York State College of Agriculture.

Professor Spencer said that "such an adjustment can be brought about only by adopting a price policy distinctly more favorable to winter dairying. This means higher prices during the fall and early winter months with perhaps lower prices during the months of large surplus production."

FIX POULTRY PRICES  
BEFORE SALE IS MADE.

The price of live poultry should be established before physical possession of the goods is transferred from commission merchant to buyer, according to F.A.Buechel, Bureau of Agricultural Economics.

"Concentration of receipts at a single terminal," he says, "will bring about many economies in terminal costs such as the reduction in number of salesmen, cartage, coop, and unloading costs. It will enable the commission merchants to give personal supervision to the entire operation. Inaccuracies in weighing poultry as it is unloaded from the car, and the pilfering which is now reported to exist in scattered terminals, can be eliminated in a well-organized and properly supervised union terminal."

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BUREAU CAUTIONS GROWERS  
BUYING BERRY BOXES.

Reports to the Bureau of Agricultural Economics indicate that some dealers in berry boxes are endeavoring to secure sales by telling prospective customers that boxes sold by them hold less than other berry boxes. Such boxes are below the standard in capacity and their use is a violation of the United States Standard Container Act of 1916.

Bureau officials declare that there is very little difference in capacities of berry boxes turned out by different manufacturers. Samples of the output of each factory are tested by the Department of Agriculture at intervals and little variation in size of boxes has been found.

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STABLE PRICES NECESSARY  
TO MAKE FARMING PROFITABLE.

Maintenance of a stable price rather than fluctuating high and low prices for farm products is needed to make farming profitable, declares A. W. McKay, Department of Agriculture economist. "If dairymen, for example," he says, "can produce market milk profitably at \$3 per 100, it is to their interest to sell at approximately that level, rather than to raise the price to, say, \$3.50 and bring into their market milk from outlying districts which may force prices down to less than cost of production."

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COLD STORAGE HOLDINGS of creamery butter and poultry were smaller on February 1 this year compared with the same date a year ago, but increased holdings of cheese, eggs, apples, meats, and lard are reported by the Bureau of Agricultural Economics.

NEW JERSEY REPORTS SUCCESS  
OF AUCTION MARKETS.

Direct selling has been profitable to New Jersey farmers on two auction markets which were established as an experiment last summer, according to the New Jersey Bureau of Markets. The bureau is planning an extension of this method of marketing New Jersey farm produce during the coming season.

Following a careful study of the possibilities of auction selling in the state, the Bureau of Markets aided in opening this type of market at Cedarville and Rosenhayn, both in Cumberland County. At Cedarville, the method of sale consisted of offering each load in line as it arrived at the auction block; the auctioneer called the bids as received and sold the produce to the highest bidder. The Rosenhayn market employed no auctioneer, but the loads were handled in lines, and as each load came to the auction stand the buyers made their bids and signified when done bidding, the load going to the highest bidder.

During the three months the Cedarville market was open, 62,077 packages were sold for a net value of \$152,808.65. At Rosenhayn, 98,379 packages were sold for a total of \$12,902.44. A comparison of the two markets shows that while Rosenhayn sold 36,000 more packages than Cedarville, 62,669 packages at Rosenhayn were peppers which averaged 67 1/2 cents per bushel for the season. At Cedarville, 25,031 packages were strawberries, which sold for an average of \$3.94 for the season. These berries showed a profit of \$27,478.56 over average New York figures. In both markets a few commodities sold for less than average prices on the New York market.

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COTTON COOPERATIVES USING  
IMPROVED MARKETING PRACTICES.

One of the most significant changes in cooperative cotton marketing in recent years is the change of emphasis from monopoly control to that of rendering the grower-members marketing services through a system of efficient merchandising, according to J.S. Hathcock, Bureau of Agricultural Economics.

During the present cotton marketing season, 1928-29, he says, the cotton cooperatives are handling approximately 1,100,000 bales of cotton, or about 8 per cent of the total United States production.

A comprehensive survey of the cotton cooperatives, now being made by the bureau, is expected to throw new light on the whole cooperative cotton marketing situation and provide information that will assist in more accurately charting the course of the cotton cooperatives in the future.

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A PORTABLE COMBINATION GRAIN CLEANER and seed wheat treater is described in a mimeographed publication just issued by the Bureau of Agricultural Economics.

FLASHES FROM THE STATE  
OUTLOOK REPORTS.

The following excerpts are taken from State and Regional Outlook Reports which have been received by the Bureau of Agricultural Economics:

New England: Present indications are that the total gross income of New England farmers as a whole will be slightly higher during 1929 than in 1928. The market outlook is for improvement in the more important agricultural industries in this region. There is nothing in the situation, however, to warrant expansion of the production of any commodity except under the most favorable local conditions.

Washington: Farmers in Washington can look forward to somewhat improved conditions during this year in the wheat situation, continued good prices for sheep, wool, beef, dairy products and alfalfa hay. The present low hog prices are expected to improve during the winter and spring season of 1929-30.

California: The large number of apple trees now in commercial and small farm orchards indicates that heavy production and low prices will continue\*\*\*\*\*The outlook for additional plantings of grapes is decidedly unfavorable\*\*\*\*\*Conditions are unfavorable for the planting of clingstone peaches at the present time\*\*\*\*\*The prospective increase in production of pears is likely to be sufficient to cause a downward trend in prices during the coming years. A general curtailment of plantings of both Bartletts and late varieties in this state, therefore, seems desirable\*\*\*\*\*It does not appear that the very favorable price level of California Navel organges the past four years can be maintained\*\*\*\*\*The beef cattle industry in California is in a strong position and established cattlemen may profit by moderate expansion during the next two or three years\*\*\*\*\*The outlook for the dairy industry in California continues favorable\*\*\*\*\*The hog outlook for 1929 is favorable\*\*\*\*\*The outlook for the poultry industry in California is more favorable than in 1927, but does not warrant any material expansion\*\*\*\*\*Economic conditions in the sheep industry are likely to be less favorable during the next few years\*\*\*\*\*An increase of not more than 15 per cent in the total acreage of beans planted in California in 1929 as compared with 1928 is warranted\*\*\*\*\*There are indications that the demand for lettuce is still increasing. Whether it will offset the probable increases in production, however, is not known\*\*\*\*\*California growers may expect some improvement in the potato situation.

Georgia: We should emphasize and encourage our poultry industry\*\*\*\*\*There is a market within the state for \$10,000,000 worth more of peanut grazed and finished hogs\*\*\*\*\*We need to add 100,000 head of dairy heifers to our herds this year\*\*\*\*\*We need to materially encourage the acreage in hay and all other feed crops.

West Virginia: The amount of corn produced in West Virginia is not sufficient to supply local needs\*\*\*\*\*An increase in the buckwheat area would probably be profitable\*\*\*\*\*It would probably be advisable to increase the hay acreage\*\*\*\*\*West Virginia farmers need not expect a good market for potatoes before the end of June\*\*\*\*West Virginia farmers should guard against increase tobacco acreage.

LIABILITY OF RAILROAD RESTS UPON PROOF OF NEGLIGENCE

Howe v. Great Northern Ry. Co. et al.  
Supreme Court of Minnesota, Dec. 1928.  
(222 N. W. 290.)

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From an order denying motion for a new trial plaintiff appeals. Affirmed. This is an action to recover damages for deterioration while in transit of a carload of potatoes shipped from Hinckley, Minnesota, to Buffalo, New York. The court found in substance that the damaged condition of the potatoes was not caused by any negligence of the defendants, and directed judgement in their favor.

Plaintiff placed the potatoes in sacks containing 150 pounds each, and loaded them into a refrigerator car at Hinckley. They were consigned over various railroads to several cities, the final re-consignment being to Buffalo. There was considerable delay in their transit due to these transfers, but this was found to be no fault of the railroads concerned. The potatoes arrived in Buffalo fifteen days after their shipment by plaintiff from Hinckley.

The finding of the court was that these delays were caused by the actions of the plaintiff. The plaintiff urges that the presumption arising from the fact that the potatoes were delivered to the carrier in good condition, and arrived at destination in a damaged condition, has not been overcome and entitles him to recover. However, the shipment was made under the uniform straight bill of lading prescribed by the Interstate Commerce Commission. The provision involved reads:

"Except in the case of the negligence of the carrier or party in possession (and the burden to prove freedom from such negligence shall be on the carrier or party in possession) the carrier or party in possession shall be liable for loss, damage or delay occurring while the property is stopped and held in transit upon the request of the shipper, owner or party entitled to make such request, or resulting from a defect or vice in the property."

Quoting from the decision of the court on this question:

"Plaintiff insists that where the property is received in a sound condition and is delivered at destination in a damaged condition it is not sufficient for the carrier to show that he was free from negligence, but that he must go further and show the cause of the damage. This question was decided adversely to the contention of plaintiff in George B. Higgins & Co. v. C. & Q. Ry. Co., 135 Minn. 402, 161 N. W. 145, L.R.A. 1917C, 507, in which the court said in respect to perishable freight:

'Defendant need not prove that the damage was caused by the natural tendency to decay. It is sufficient to prove that it was not caused by its negligence.'

After referring to prior cases the court further said:

'All of them proceed on the theory that the liability rests on proof of negligence, and that the *prima facie* case made by showing that the injury occurred while the goods were in the carrier's possession may be rebutted by proof that the carrier was not at fault.'"

H. F. Fitts

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IN CONGRESS:

S. 5632, by Senator Walsh, of Montana, to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandise the same to the best advantage and for acquiring and disseminating information relative to protein in wheat, has been reported out of the Committee (Rept. No. 1765)

S. 5474, by Senator Heflin, authorizing the Director of the Census to collect and publish certain additional cotton statistics, has passed the Senate with amendments.

S. 1093, by Senator Caraway, to prevent the sale of cotton and grain in future markets, failed to pass the Senate.

S. 5307, by Senator Hayden, equalizing annual leave of employees of the Department of Agriculture stationed outside of the continental limits of the United States, has been reported out of the committee with amendment (Rept. No. 1766).

Bills Introduced:

H.R. 17123, by Mr. Dickinson, to provide for research work in connection with the utilization of agricultural products other than forest products.

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"The Handling, Grading and Uses of Rices" has been issued in mimeograph by the Bureau of Agricultural Economics.

"Economics of Crop Production on the Elephant Butte Irrigation Project" has been issued as Extension Circular 97 by the New Mexico College of Agriculture, State College, New Mexico.

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# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

February 27, 1929

Vol. 9, No. 9.

### PRODUCE INSPECTION OFFICE

OPENED AT PROVIDENCE, R. I.

A fruits and vegetables inspection office has been opened at Providence, Rhode Island, by the Bureau of Agricultural Economics, to serve the produce trade in Providence and nearby markets more promptly than heretofore when inspections in this territory were handled through the Boston office. H. L. Geer will be in charge of the Providence office, address Room 307, State House, Providence.

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### PROPOSED CLASSIFICATION OF LEAF TOBACCO FOR STOCKS REPORTS.

A statement showing the proposed classification of leaf tobacco for use by the tobacco trade in making quarterly reports of stocks to the United States Department of Agriculture, as provided by legislation signed by President Coolidge on January 14, is being distributed to members of the tobacco trade by the Bureau of Agricultural Economics.

The bureau requests tobacco dealers, manufacturers, growers' organizations, warehousemen, brokers and other members of the trade to make suggestions or criticisms regarding this classification either by mail or in person to officials of the bureau, an informal meeting to be held for that purpose at 10 a.m., March 2, at 1358 B Street, S.W., Washington, D.C.

In the proposed classification of leaf tobacco, the six classes and the twenty important types of tobacco are designated by the same numbers as those used in the classification issued by the Department of Agriculture in 1926, under the United States Warehouse Act. The groups of grades then established were worked out in line with trade practices and are retained substantially unchanged.

The new legislation provides that quarterly reports covering the stocks of leaf tobacco as of January 1, April 1, July 1, and October 1, shall be made to the Department of Agriculture by all dealers, manufacturers, growers' cooperative associations, warehousemen, brokers, holders, and owners, except (a) the original growers of tobacco, (b) manufacturers who in the preceding calendar year, according to the returns of the Commissioner of Internal Revenue, manufactured less than 50,000 pounds of tobacco, less than 250,000 cigars, or less than 1,000,000 cigarettes, or (c) dealers who, on the average, had less than 50,000 pounds of leaf tobacco in stock at the end of each of the four quarters of the preceding calendar year.

INCREASED SHIPMENTS OF  
EARLY PRODUCE REPORTED.

Heavier shipments of early truck crops from Florida and the extreme Southwest as compared with this time a year ago are reported as one of the features of the farm situation the past month, by the Bureau of Agricultural Economics.

An increasing volume of strawberries, citrus fruits, celery, carrots, spinach, and potatoes moved to market last month, and the country-wide carlot movement of 22 important vegetables and fruits was about 7,000 cars more this February than last.

A backward spring season is reported, however, in northern and western producing areas. Snow and cold waves have harassed the north, says the bureau in its March 1 report on the agricultural situation, and especially the livestock industries of the western range country.

Damaged winter crops in the south and on the Pacific Coast are reported, with preparations for spring work decidedly backward even in the south (excepting Florida) where heavy rains and cold weather have hindered field work and crop growth.

Wheat prices made further improvement during the month, especially of the hard wheats, the advance being attributed to the gradual realization that the year's crop is being used up rather rapidly. Shipments of wheat from the principal exporting countries since July 1 have been around 90,000,-000 bushels more than during the same period last season.

Continuation of the favorable situation for lamb feeders is expected in view of the present strong consumer demand for lamb, the fact that Corn Belt lambs are pretty well cleaned out, and the fact that there are now only a few more lambs than last year in western feeding areas.

The hog market has been advancing since mid-December, a natural trend at this time of year, but the strength of the market this winter, in spite of fairly heavy runs of hogs, is encouraging to producers. Hog prices lately have been running \$1 to \$2 per 100 pounds higher than a year ago.

Prices of beef steers in recent weeks have run around \$1.50 per 100 pounds below a year ago. Dressed beef production in January exceeded that in December for the first time in five years, and was about 9 per cent more than in January a year ago. The temporarily large supply of steers is reported to be the result of the numbers put on feed early last summer, but the explanation for the lower prices of beef steers may also be partly on the consumer end.

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"Sheep and Cattle on Southern New Mexico Irrigated Farms" has been issued as Extension Circular 98 by the New Mexico Extension Service, State College, New Mexico.

FARMERS CAUTIONED IN  
BUYING ALFALFA SEED.

Purchasers of alfalfa seed this season are advised by the Bureau of Agricultural Economics to be especially cautious to buy only seed which is adapted to their farms. The alfalfa seed crop was relatively small last year, and the correspondingly high prices afford greater opportunity than usual for shippers and dealers to offer unadapted alfalfa seed for sale in localities where only certain varieties may be grown successfully.

The bureau's recommendation applies especially to purchasers of common alfalfa seed or that not covered by State certification as to variety. In case of doubt as to the best adapted seed to purchase, says the bureau, farmers should consult their county agent or write their State experiment station. Following this, it is urged that United States Verified-Origin be specified in making purchases, with the further requirement that a "United States Verified-Origin Seed Certificate" tag be attached to each bag.

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ENUMERATES SUCCESS FACTORS  
OF PUBLIC MARKETS.

Five factors controlling the successful development of local markets are enumerated by Secretary William B. Duryee of the New Jersey Department of Agriculture. They are: (1) the personnel factor; that is, the man who has charge of the market and in whom all classes must have complete confidence; (2) management of the market under such rules and regulations as will prevent favoritism and the blighting effects of personal political animosities or friendships; (3) the reaction of the produce dealers where these markets are operated in cities; (4) interest the consumers in visiting the markets; (5) adjust farm production to consumer demand.

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GROUP ACTION NEEDED  
IN FARM MARKETING.

Farm production under present-day agricultural conditions is primarily an individual act, but marketing farm products and purchasing farm supplies can be done most effectively through group action, according to Chris L. Christensen, Bureau of Agricultural Economics. Cooperative organization, he said, enables farmers to apply modern business methods to the assembling, grading, financing, distributing and selling of farm products. The farmer as an individual has no control over the conditions under which his crops or livestock products are sold, whereas farmers associated in groups are in a position to exert such control and to secure the results of more efficient marketing."

TAXES ON NORTH CAROLINA  
F FARMS STUDIED.

North Carolina farm operators paid in taxes 22 cents per dollar of the 1927 return on the land and improvements of their farms. Owners of rented farms paid in the same year 29 cents per dollar of income in taxes. These are among the results of a study of farm taxes made by the Bureau of Agricultural Economics in cooperation with the Tax Commission of North Carolina.

A detailed survey of 1,156 owner-operated farms in eleven typical regions of North Carolina and of 416 rented farms widely distributed over the State is the source of these tax and income figures. The results of the study have been published in the 1928 Report of the Tax Commission, Raleigh, North Carolina.

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PENNSYLVANIA FRESH VEGETABLE  
PRODUCTION DECREASES.

"The general trend in the vegetable growing industry of Pennsylvania the last five years has been a reduction in acreage and production of green vegetables for table consumption, except in the case of asparagus and celery, and an increase in the acreage and production of green vegetables for canning purposes," according to H.A. Hanemann, Pennsylvania Bureau of Markets.

"The trend of vegetable production has been downward," Mr. Hanemann says, "in spite of an increase in vegetable consumption. Official figures on carload receipts of vegetables at Pennsylvania's fifteen leading cities shows that, on the whole, more fresh vegetables are being consumed than six years ago, but Pennsylvania growers are supplying a smaller proportion of the total requirements."

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COOPERATIVE STUDIES OF COTTON  
MARKETING ARE BEING MADE.

Cooperative studies of cotton marketing in Alabama, Arkansas, Oklahoma, and North Carolina are being made by the Bureau of Agricultural Economics and local Experiment Stations with a view to obtaining farmers' recommendations for readjustments in marketing methods.

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"A Survey of the 1928 North Dakota Wheat Crop" has been issued as Bulletin 222 by the North Dakota Experiment Station, Fargo, North Dakota.

"Mutual Irrigation Companies" has been issued as Technical Bulletin No. 82 by the United States Department of Agriculture.

"Cooperative Marketing of Livestock in North Dakota" has been issued as Bulletin 223 by the North Dakota Experiment Station, Fargo, North Dakota.

EXECUTORY CONTRACT OR EXECUTED SALE?  
INTENTION OF PARTIES GOVERNS

Engelberg v. Sebastiani,  
District Court of Appeal, California, Dec. 1928.  
(273 Pac. 161.)

Appeal from Supreme Court, Sonoma County. Judgment for plaintiff and defendant appeals. Affirmed.

Plaintiff brought action to recover balance on contract for the sale of a crop of grapes. Part of the grapes were refused by the appellant and sold for his account by respondent. Appellant received some of the grapes, but in his answer alleged that the grapes were not of the quality required by the contract and that respondent in picking had mixed mouldy and rotten grapes with good grapes, thereby rendering them all unfit and unsalable.

The contract covering this transaction was considered by the court as constituting an executed sale, and the jury were so instructed. It appears that the contract specified clearly that there were to be excluded all grapes showing mildew or sunburn, and that the grapes were to show at least 18 per cent sugar; that the grapes were not being sold for any particular purpose and that the buyer should take delivery of all grapes regardless of any condition whatsoever; and that it was the intention of the parties that the contract should constitute an absolute sale of all the grapes.

Appellant in his pleading insisted that the contract was an executory contract to sell but not an executed sale inasmuch as something was required to be done to put the grapes in deliverable condition, particularly as the portion of the crop to be delivered was not yet identified.

In passing upon this question, the court stated that whether the contract constituted a present sale is to be determined by ascertaining the true intention of the parties; that it is only where the language does not clearly show an intent to pass title that the courts resort to the presumption that where something remains to be done to place the goods in condition for delivery the contract is executory; that in this case the parties, in addition to the usual language of purchase and sale, expressly provided that it is "the intention of this contract to constitute an absolute sale of all of said grapes," and that the use of the words "absolute sale" indicated a deliberate intent to bring about an executed sale rather than a contract to sell. Cases were cited in support of this point.

The court stated, also, that even if the contract should not be construed as an executed sale, they are satisfied that the parties have

have expressly contracted against any implied warranty of soundness or merchantability by providing that the buyer shall take delivery regardless of all conditions. It is held further that so long as the respondent delivered grapes of the quality provided by the contract and took due care in harvesting them, he was doing all that was required of him under the contract.

- H. F. Fitts

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CORRECTION.

In the report of the case of Howe v. Great Northern Ry. Co., appearing on page 49 of Marketing Activities of February 20, 1929, an error of omission was made in preparing the copy. In the fourth paragraph, fourth line, the word "not" should appear after the word "shall".

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IN CONGRESS:

The Agricultural Appropriation Act was signed by the President of the United States on February 16. (Public No. 769).

H. R. 17223, by Mr. Wood, making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1929, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1929 and June 30, 1930, has been reported out of the Committee (Rept. No. 2654).

S. 5632, by Senator Walsh of Montana, to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage and for acquiring and disseminating information relative to protein in wheat, has passed the Senate.

S. 5785, by Senator Brookhart, to establish a board of civil service appeals and to amend an act entitled "An act to provide for the classification of civilian positions within the District of Columbia and in the field service" approved March 4, 1923, has been reported out of the Committee (Rept. No. 1881).

H. R. 15430, by Mr. White, of Maine, continuing the powers and authority of the Federal Radio Commission under the Radio act of 1927, has passed the House.

Bills Introduced:

S. 5838, by Senator Brookhart, to provide for research work in connection with the utilization of agricultural products other than forest products.

## MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK ★ MAR 11 1929 ★

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 6, 1929

Vol. 9, No. 10.

## FEDERAL MARKET NEWS

PROGRAM TO BE ENLARGED.

Expansion of market news services by the Bureau of Agricultural Economics, effective July 1, has been made possible by additional funds for this work in the agricultural appropriation bill for the fiscal year 1929-30. Funds have been provided to extend the leased wire to the cities of Cleveland; Detroit; New Orleans; Nashville, Tenn.; Jackson, Miss.; Portland, Ore.; Seattle and Spokane, Wash., and Boise, Idaho. Market news offices on fruits and vegetables will be opened at Cleveland, Detroit, Seattle and New Orleans, and present work expanded at Portland and Spokane. According to present tentative plans, the bureau will provide only telegraphers as its part of the programs at Nashville, Jackson, and Boise.

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ILLINOIS LIVESTOCK TRUCKING  
REPORTED ON INCREASE.

Truck competition has eliminated shipping associations from fifteen Illinois Counties; trucks are said to have destroyed 12 per cent of the Indiana associations and to have seriously weakened another 10 per cent in the three years 1925, 1926, and 1927, according to R. C. Ashby, associate chief in livestock marketing, Illinois College of Agriculture. Mr. Ashby summarizes the Illinois trucking study, as follows:

"Fifteen Illinois cooperative livestock shipping associations are reported to have attempted livestock trucking service. Of these fifteen associations, three were unsuccessful in trying to render this kind of service, eight reported success, and the other four associations have only recently begun to use trucks. Association trucking has proved successful only where it has been supplied at very reasonable rates.

"Terminal marketing costs are usually higher on trucked-in stock than on rail shipments; amounting to 10 to 20 cents more a head on cattle, 5 to 14 cents more on calves, and 5 to 17 cents more on hogs. Losses in transit do occur by truck, and some form of dependable loss coverage is desirable. The cost of such coverage should be considered in any analysis of trucking expense. Shrinkage should be taken into account since this loss on truck shipments, as commonly handled, is apparently about as great as by rail.

"From the farmer-stockman's standpoint there are at least four important factors to be considered in deciding whether to ship by truck or by rail; namely, convenience, transportation and terminal expenses, risk, and shrinkage. In some sections a fifth factor, discrimination against trucked-in stock, must be considered."

NEW YORK MARKETS BUREAU  
REPORTS ON YEAR'S WORK.

Expansion of market news service, inspection and grading, and the adaptation of the shipping-point inspection plan to products delivered at local canning factories and grape-juice plants, are reported by H. Deane Phillips, Director, New York State Bureau of Markets, for the calendar year 1928.

Discussing inspection at canning factories and grape-juice plants, Mr. Phillips says that "the usual certificates were not issued in this adaptation, the produce delivered by the grower merely being inspected as it arrived at the plant to determine the grade and condition, and the grower, in turn, being paid by the factory according to the result shown by the inspection.

"In many ways, this has proved to be one of the most successful of all the projects of the sort yet undertaken, both the factories and the growers having expressed unusual satisfaction with the results. This service was furnished to the factories on a cost basis, the department placing trained inspectors at each factory for the work. A total of 11,242.1 tons of grapes and 1,849 tons of tomatoes were thus inspected. Costs, as determined at the close of the season, were: for the juice grape inspection, a fraction over 17 cents per ton; for the tomato inspection, a little over 11 cents per ton."

The last Legislature of New York passed a law providing for the establishment of official state grades for grapes and regulating the marking and sale of this product. Inspectors, accordingly, were placed at shipping points in the three important grape-producing sections, and some inspection work was done in terminal markets, especially Buffalo, Rochester, and New York City.

"Studies intended to serve as a basis for a state-wide plan for coordinated food-handling facilities, with certain cities serving as main assembling and distributing points or primary markets, were continued during the year," Mr. Phillips reports. Other activities cited by Mr. Phillips include assistance to cooperative organizations, analysis of annual reports of cooperatives filed with the department according to law, enforcement of the law requiring the licensing and bonding of all persons who receive and sell farm products on a commission basis, and special assistance in reporting arrivals of California fruit in up-state New York markets rendered the joint project of the United States Department of Agriculture and the California State Bureau of Markets in connection with the operation of the California Clearing-House Plan for grapes and other deciduous fruits.

Preliminary figures on shipping point inspection during the 1928-29 season indicate 3,981 carlots inspected and certified, compared with 1,700 carlots the preceding season, the increase being due to the heavy volume of grape inspections.

NEW JERSEY REPORTS UNLOADS  
IN NEWARK MARKET.

A total of 13,217 carloads of fresh fruits and vegetables were unloaded at Newark during 1928 by the railroad companies, reports the New Jersey Department of Agriculture. During 1927, the unloads of 16 principal commodities totaled 10,356 carloads, compared with 10,933 carloads of the same commodities in 1928. Increases were greatest in receipts of lettuce, celery and cantaloupes; potatoes showed a decrease of about 500 cars.

Receipts from nearby producing sections, by motor truck, from July 1 to December 31, totaled 13,217 carloads, 47 different commodities being brought in by truck.

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DAIRY INDUSTRY CHANGING  
TO MEET NEW CONDITIONS.

The increase in urban population and increased per capita consumption of dairy products in recent years are producing marked changes in the nation's dairy industry, according to Tom G. Stitts, Bureau of Agricultural Economics.

The increase in urban population in the East, Mr. Stitts says, has resulted in greater requirements for fluid milk. For a part of the year there is not enough milk available in this region to supply the needs of the large metropolitan markets for fluid milk and cream. The Middle West is making up the deficit in the East, South, and Southeast.

As the Middle West ships increasing quantities of cream, Mr. Stitts declares, the manufacture of butter and cheese has tended to move into sections where dairying is less intensively developed. Northern Wisconsin, Minnesota and many sections of Iowa have modified their farm operations for increased milk production.

The increased demand for butter of the higher scoring grades is reported to be an important development affecting the Central Northwest and Middle West.

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DR. YOUNGBLOOD GETS POST  
IN EXPERIMENT STATIONS WORK.

Dr. B. Youngblood has been appointed principal economist in the Office of Experiment Stations to represent that office in its relations with the State experiment stations on matters pertaining to research in agricultural economics. For the last three years Dr. Youngblood has been principal economist in the Division of Cotton Marketing, Bureau of Agricultural Economics. For seventeen years prior to that time, he was Director of the Texas Agricultural Experiment Station.

FARM PRICE INDEXADVANCES FOR MONTH.

The index of the general level of farm prices advanced from 133 to 136 per cent of the pre-war level from January 15 to February 15. At 136 the index is 1 point above February, 1928, and the highest February figure since 1926.

The advance from January 15 to February 15 was due to higher prices for all grains, fruits and vegetables, cotton, cottonseed, hogs, lambs, chickens and work animals, which more than offset slight declines in farm prices of beef cattle and veal calves, and seasonal declines in butter and egg prices.

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COTTON CONFERENCE ONUNIVERSAL STANDARDS.

The biennial International Cotton Conference on Universal Standards will be held at Washington, the week beginning March 16. Special invitations have been extended to the Japan Cotton Spinners Association and the Japan Cotton Merchants Union to have representatives present as guests at the meetings. A meeting with American delegates will take place March 14 and 15 to consider a proposed revision of the American-Egyptian grade standards, extra white standards, standards in practical form for spotted cotton, and for preparation of long staple cotton.

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CORN BORER QUARANTINEREGULATIONS EXTENDED.

Federal European corn borer quarantine regulations have been amended to cover new areas, effective March 1, 1929, and the requirement of certification has been discontinued with respect to packages of shelled corn weighing two pounds or less. The new areas covered by the amendment are in the New England States, mainly.

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MORE EXTENSIVE CLEANINGAND TREATING OF SEED WHEAT.

Steady increase in the number of farmers who clean their grain before sowing is reported by the United States Department of Agriculture. Seed treatment has also gained in popularity. To aid growers in this work the department has issued Leaflet No. 33 entitled "The Combination Cleaning and Treating of Seed Wheat," and the Bureau of Agricultural Economics has issued a multigraphed description of "A Portable Combination Grain Cleaner and Seed Wheat Treater." The latter publication includes plans for construction, tests of effectiveness, and a financial statement of operation for the 1928 season.

CARMACK AND CUMMINS AMMENDMENTS TO THE INTERSTATE COMMERCE ACT  
DO NOT COVER SHIPMENTS TO NON-ADJACENT FOREIGN COUNTRIES.

Lesser-Goldman Cotton Co. v. Missouri Pacific R. R. Co.  
Supreme Court of Missouri, Dec. 1928 (12 S.W. 2nd - 485)

In the lower court judgement was for the defendant and plaintiff appeals. Affirmed.

This case involves the question of liability of a railraod for loss of cotton shipped over its lines, by through bill of lading, enroute to Europe. The cotton was burned while in the possession of the Missouri Pacific Railroad Company and plaintiff brought action to recover from the railroad. The cotton was shipped on a "through" bill of lading covering the carriage of the cotton from Pine Bluff, Arkansas, to Liverpool, England. The case rests upon a determination of the nature of the shipment of cotton in question and the character of the bills of lading, whether the shipment is interstate or a shipment to a non-adjacent foreign country. The Interstate Commerce Act and amendments thereto, are involved. The Carmack Amendment reads, in part:

Any common carrier, railraod, or transportation company receiving property for transportation from a point in one state to a point in another state shall issue a receipt or bill of lading therefor and shall be liable to the lawful holder thereof for any loss, damage, or injury to such property caused by it or be any common carrier, railroad, or transportation company to which such property may be delivered or over whose line or lines such property may pass, and no contract, receipt, rule or regulations shall exempt such company from the liability hereby imposed".

This was amplified by the Cummins Amendment which provides, in part:

"That any common carrier, railroad, or transportation company subject to the provisions of this act receiving property for transportation from a point in one state or territory or the District of Columbia to a point in another state, territory, District of Columbia, or from any point in the United States to a point in an adjacent foreign country shall issue a receipt or bill of lading therefor, and shall be liable to the lawful holder thereof for any loss, damage, or injury to such property caused by any common carrier, railroad, or transportation company to which such property may be delivered or over whose line or lines such property may pass within the United States or within an adjacent foreign country when transported on a through bill of lading, and no contract, receipt, rule, regulation, or other limitation of any character whatsoever, shall exempt such common carrier, railroad, or transportation company, from the liability hereby imposed."

It is conceded that a through bill of lading was issued covering the transportation of the property from Pine Bluff, Arkansas, to Liverpool, England. Notwithstanding the bill of lading is on behalf of the carriers severally and not jointly and each carrier limited its liability to its own handling, this did not make the bill of lading other than a through bill. But shipment thereunder was not interstate but rather to a non-adjacent foreign country.

The tendering of property for transportation from a point in one state to a point in another state brings the transaction within the provisions of the Carmack Amendment. So the tendering of property for transportation from a point in one state to a point in a non-adjacent foreign country is a transaction wholly outside the provisions of the Carmack Amendment and also outside the provisions of the Cummins Amendment.

Decisions of the Supreme Court of the United States and of several state courts in cases involving similar questions were cited by the Court.

H. F. Fitts

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BILLS WHICH BECAME LAWS DURING THE SECOND SESSION  
OF THE SEVENTIETH CONGRESS.

H. R. 15336, making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1930, approved February 16, 1929 (Public No. 769).

H. R. 15848, the first deficiency bill. This bill carries \$60,000 for the operation of Center Market for the remainder of the current fiscal year.

H. R. 17223, the second deficiency bill. This bill carries \$30,000 for carrying into effect the Act providing for the collection and publication of statistics of tobacco during the remainder of the current year and for 1930. This bill carries also \$277,599 for this bureau to cover the costs of the Welch Act (for the adjustment of salaries) for the current fiscal year.

H. R. 53, by Mr. Gilbert, to provide for the collection and publication of statistics of tobacco, approved January 14, 1929. (Public No. 661)

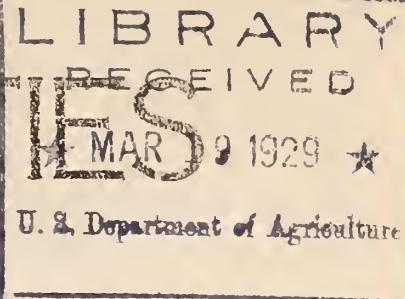
H. R. 8298, by Mr. Stalker, authorizing acquisition of a site for the farmers' produce market, in the District of Columbia.

H. R. 15430, by Mr. White, continuing the powers and authority of the Federal Radio Commission.

S. J. R. 182, by Senator Smith, for the relief of farmers in the flood stricken areas.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK



A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 13, 1929

Vol. 9, No. 11

NEW TOBACCO SECTION  
ESTABLISHED IN BUREAU.

Establishment of a tobacco section in the Bureau of Agricultural Economics, for the issuance of quarterly tobacco stocks reports as provided by the Tobacco Stocks and Standards Act passed at the last session of Congress; the establishment and promotion of standard grades for tobacco, and the development of a tobacco grading and certification service, has been announced by Nils A. Olsen, chief of the bureau.

Charles E. Gage, for several years tobacco statistician of the Division of Crop and Livestock Estimates will be in charge of the new section. Associated with him, there will be F. B. Wilkinson, for several years engaged in the formulation of grades of tobacco, and J. V. Morrow, also engaged in tobacco standardization work.

The Tobacco Stocks and Standards Act authorizes and directs the Secretary of Agriculture to compile and publish quarterly reports of the stocks of leaf tobacco in the United States in the possession of manufacturers, warehousemen, brokers, and others. The Act also authorizes the Secretary to establish the classification to be used in reporting leaf tobacco stocks.

The Agricultural Appropriation Bill for the next fiscal year also makes available \$20,000 for inspection work on tobacco similar to that now conducted on fruits and vegetables, hay, butter, eggs, meat, and other commodities. Plans for the development of the tobacco inspection service have not yet been made but in all probability this work will be developed so far as practicable in cooperation with State agencies.

The first quarterly stocks report is to be issued as of April 1, 1929. Arrangements are being made to have Mr. Wilkinson and Mr. Morrow visit a large number of tobacco manufacturers in the next few weeks to explain the classification to be followed in reporting tobacco stocks.

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COTTON PRICE RELATIONSHIPS  
SUBJECT OF LOUISIANA STUDY.

A study of the grade and staple of cotton in relation to prices paid to farmers in Louisiana is being made by the Louisiana Experiment Station in cooperation with the Bureau of Agricultural Economics. The study will determine the extent to which local markets discriminate between the different grades and staple lengths of cotton as reflected by prices paid by country buyers; the types of primary markets where farmers are paid most nearly according to the central market value of cotton; classification of the various regions according to length of staple produced, and the development of methods of bringing local and central markets in line with scientific marketing principles.

INTERSTATE EARLY POTATO  
COMMITTEE SELECTS SECRETARY.

The Interstate Early Potato Committee, composed of representatives of the Extension Services of Virginia, Maryland, North Carolina, and the Extension Service and Bureau of Agricultural Economics of the United States Department of Agriculture, has appointed A. E. Mercker of New York as its executive secretary. Mr. Mercker, whose appointment becomes effective March 11, was recently with a fruit and vegetable marketing agency in New York, and formerly with the Bureau of Agricultural Economics in its vegetable marketing work.

This committee, of which J. R. Hutcheson, Director of Agricultural Extension in Virginia is chairman, was organized following a conference of public agricultural agencies, farmers, and the potato trade, at Norfolk last November, to consider the acute situation in the potato industry and to develop methods for promoting the combined interests of growers in the early potato States.

The committee was instructed to direct its efforts toward stabilization of the early potato industry by providing growers with economic information on the prospective supply and demand for potatoes, the desirability of producing crops other than potatoes, financial conditions affecting the industry and the coordination of market agencies handling the crop. The work is to be supported by funds provided jointly by the extension services of the three States and the United States Department of Agriculture.

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SEEKS DATA ON USE OF COTTON  
BAGS FOR POTATOES.

A survey to determine the extent to which cotton bags are used as a consumer package for potatoes, and the possibility of increased use of this type of package, is being made by the Bureau of Agricultural Economics through its market news field stations. The opinions of the wholesale and jobbing trade as to this method of packing potatoes, particularly with reference to late crop potatoes, are being sought.

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DELEGATES MEET AT WASHINGTON  
ON UNIVERSAL COTTON STANDARDS

The third international biennial Universal Cotton Standards Conference, for the purpose of approving copies of the Universal Cotton Standards for use by the United States Department of Agriculture and the arbitration committees of the European cotton associations during the two-year period beginning August 1, 1929, will be in session throughout the week beginning March 16, at Washington, D.C.

FARM POPULATION SMALLEST  
IN TWENTY YEARS.

The farm population of the United States is now the smallest in twenty years, reports the Bureau of Agricultural Economics, which estimates the farm population at 27,511,000 persons on January 1, 1929 as compared with a peak of 32,000,000 persons in 1909.

The bureau's estimate also shows a decrease in farm population during the past year despite improved agricultural conditions and a slight slackening in industrial employment, the January 1, 1929, figure comparing with a farm population of 27,699,000 persons on January 1, 1928.

The movement away from farms slowed up somewhat during the year as compared with immediately preceding years, but the movement from cities to farms was also smaller. It is shown that 1,960,000 persons left farms during the past year, compared with 1,978,000 in 1927, and with 2,155,000 in 1926. The movement from cities to farms was 1,362,000 persons last year, 1,374,000 in 1927, and 1,135,000 in 1926. The net loss of farm population last year was 188,000 persons, compared with 193,000 in 1927, and with 649,000 in 1926, the net loss being reduced by excess of births over deaths on farms.

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KENTUCKY REPORTS RESULTS  
OF TOBACCO MARKETING STUDY.

Lack of adjustment between tobacco production and market requirement is reported by the Kentucky Agricultural Experiment Station as an important cause of dissatisfaction in the industry, following a study of tobacco marketing methods. Also, it is pointed out, in the absence of uniform grades and large central markets there is no quotation which supplies an accurate guide to market conditions.

Numerous other factors in tobacco marketing such as the extraordinary increase in consumption of cigarettes in recent years, price relationships, and cooperative marketing are covered in the survey, the results of which have been published in Bulletin 287, "The Marketing of Tobacco", and Bulletin 288, "The Cooperative Marketing of Tobacco", copies of which may be obtained from the Kentucky Experiment Station, Lexington, Ky.

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FARM BANKRUPTCIES DECREASE.

In a compilation of the number of bankruptcies among farmers compared with the total of all bankruptcies, the Bureau of Agricultural Economics reports that of a total of 53,444 bankruptcies during the fiscal year ended June 30, 1928 the number of farm bankruptcies was 5,679, as compared with 6,296 farm bankruptcies out of a total of 48,066 the preceding year.

IOWA ECONOMIST ADVISES  
FARMERS TO SELL CORN.

Last December, it looked like a good "bet" for Iowa farmers who had corn to sell to hold their surplus until next summer, but during the winter new factors have come to light which now make it doubtful economy to hold corn for sale next summer, according to G. S. Shepherd, agricultural economist at Iowa State College.

"Taking all known factors into consideration," Mr. Shepherd says, "it appears that it is better to sell corn at present prices, if possible, than to hold into next summer."

Commenting on the hog situation, the Illinois Extension Service is telling Illinois farmers that "prices for hogs should be better during 1929 than they were during the year just past."

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STRESSES BETTER MEAT  
RETAILING METHODS.

Declaring that methods of distributing meats have changed greatly during the past twenty years, largely because of changed living conditions, the Bureau of Agricultural Economics has incorporated in a multigraphed circular the outstanding results of a nation-wide survey of retail meat marketing. The survey covered representative meat markets in twenty cities and towns. Over 1,400 stores were visited and 4,466 housewives were interviewed in the consumer demand phase of the survey.

Summarizing the multigraphed circular, the bureau points out that to be successful retailers must have a practical knowledge of their business; modern equipment and sanitation must be used; quality of meats is a prime factor; meats must be as represented; adequate records and inventories must be kept; cutting tests are essential; rapid turnover is important. The circular deals also with operating efficiency, advertising practices, management, salesmanship, selling practices, and costs.

Copies of the circular entitled "Better Meat Retailing" may be obtained from the bureau, Washington, D.C.

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RECENT MIMEOGRAPHS  
Bureau of Agricultural Economics

"Dairy and Poultry Market Statistics, 1928 Annual Summary."

"Taxation Problems of Interest to the Farmer", by Eric Englund.

"The Dairy Situation", by L. M. Davis.

"Relation of Soil Fertility to the Quality of Cotton", by Dr. B. Youngblood.

"The Quality of Cotton and Market Demand," by Dr. B. Youngblood.

"Crop Reporting Board Policy in Forecasting Cotton Production from Condition", by Joseph A. Becker.

LIABILITY OF INITIAL CARRIER NOT AFFECTED  
BY SPECIAL Tariff REGULATION AT DESTINATION

Wishnatzki et al. v. Great Northern Railway Company,  
S u preme Court, Appellate Division, Dec. 1928.  
(232 N.Y. Supp. 165)

From determination of appellate term reversing judgment of the City Court for Plaintiffs, and directing judgment for defendant, the plaintiffs appeal. Reversed.

On this appeal the question presented is the liability of a common carrier under a bill of lading in connection with a tariff regulation and the Carmack amendment. It is held that, where a common carrier has issued a bill of lading to deliver a shipment at New York City, and claims the right, under a tariff permitting a routing to Jersey City to compel acceptance of the shipment at Jersey City and release from liability beyond that point, the tariff regulation is invalid.

Defendant railway at Wenatchee, Washington, received a shipment of cherries consigned to plaintiffs at Pier 20, New York City, and issued its bill of lading as initial carrier on the through route to destination, specifying "Erie Railway." The car containing the cherries arrived at Jersey City and was placed on Erie Railway float and ferried across the river to Pier 20. The Erie Railway, however, refused to deliver cherries on the day of arrival, as a result of which the plaintiffs lost the advantage of an auction sale of cherries on that day, thereby suffering a loss arising from a sharp decline in market price from that day to the date of delivery. Defendant railway seeks to escape liability by claiming that consignee accepted delivery of shipment at Jersey City, and therefore that defendant's liability ceased at that point and before the delay occurred. In support the defendant relies upon plaintiff's receipt for shipment at Jersey City according to the practice established under a tariff which provided that carload rates named to Brooklyn or New York City, when routed via New Jersey terminals, do not include delivery service in Brooklyn or New York.

In discussing this contention, the court stated that assuming this tariff to be a part of the contract of carriage, the defendant is not relieved of liability because as initial carrier it was liable until delivery at point of destination, namely Pier 20, New York City, and that such liability may not be impaired by any rule or regulation. Cases in support of this ruling were cited by the court. Also, that the connecting carrier is not relieved from liability by the Carmack amendment, but the bill of lading required to be issued by initial carrier upon an interstate shipment governs the entire transaction and fixes the obligations of all participating carriers; that the statute casts upon the initial carrier the entire responsibility; and that it is not to be doubted that if in the case of an interstate shipment under a through bill of lading the terminal carrier makes a misdelivery, the initial carrier is liable. It appears further that the practice of making an extra charge at Jersey City, under the tariff upon which defendant relies as relieving it from liability, has been declared by the Interstate Commerce Commission to be unreasonable and therefore unlawful.

Bills of interest upon which some action was taken by the 70th Congress but which failed to become laws:

H. R. 13646, by Mr. Vinson, of Georgia, for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton futures exchanges, passed the House.

H. R. 14938, by Mr. Fulmer, to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, passed the House.

S. 1093, by Senator Caraway, to prevent the sale of cotton and grain in future markets, was voted on but failed of passage in the Senate.

H. R. 11074, by Mr. Ketcham, to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, passed the House and was reported out of the Senate Committee.

S. 5632, by Senator Walsh, to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage and for acquiring and disseminating information relative to protein in wheat, passed the Senate.

Hearings were held on H. R. 106, by Mr. Burtress, to amend the United States Grain Standards Act by inserting a new section providing for licensing and establishing laboratories for making determinations of protein in wheat and oil in flax.

S. 1727, by Senator Dale, to amend the act entitled "An act for the retirement of employees in the classified civil service and for other purposes," passed both Houses but failed to receive the President's signature.

H. R. 16720, by Mr. Haugon, to amend sections 4, 6, 8, 9, 10 11, 12, 25, 29 and 30 of the United States Warehouse Act, passed the House.

S. 5148, S. 5785, by Senator Brockhart, and H. R. 16643, by Mr. Leibach, to amend the classification act covering salaries in the District of Columbia and in the field services, were reported out by Committees but none passed either House. Amendments were offered to the Second Deficiency Act which would have changed the classification Act but none was adopted.

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STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 20, 1929

Vol. 9, No. 12.

### TOBACCO STOCKS TO BE REPORTED BY TYPES.

In the first quarterly report required by the new Tobacco Stocks and Standards Act, dealers and manufacturers will be asked to report their April 1 stocks of tobacco by types only. As a result of hearings held on March 2 and 9, at which representatives of the tobacco trade appeared, it has been decided that it would be impractical to require reports of tobacco stocks segregated both as to types and groups of grades because of the limited time available for dealers and manufacturers to familiarize themselves with a uniform classification for tobacco and to make the necessary changes in their stock records.

April 1 stocks will therefore be reported according to type, with separations only as to form, i.e., stemmed or unstemmed, and as to "new crops" which includes tobacco of 1925 or later production, and "old crops", - tobacco produced prior to 1925. The Bureau of Agricultural Economics emphasizes, however, that the action taken with respect to the April 1 reports is not to be construed as a permanent policy. Segregation of the statistics according to both types and groups of grades will be required in later reports.

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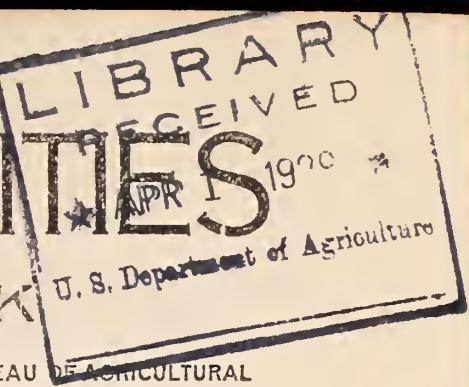
### RAIL MARKETINGS OF NEW JERSEY PRODUCE SHOW DECREASE.

Marketing of New Jersey fruits and vegetables by rail is considerably less than a few years ago, according to a survey made by the New Jersey Bureau of Markets. Last year 13,213 cars of fruits and vegetables were loaded in New Jersey for shipment, compared with 19,001 cars in 1927 and a five-year average of 17,533. Some of the decrease is due to general fluctuations in production, but more responsible is the change in marketing methods involving a much greater use of motor trucks in transportation, and to some extent an increase in local marketing.

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### CALIFORNIA PLANS SHEEP AND WOOL GRADING MEETINGS.

A series of five sheep mating and wool grading demonstrations to be held in five districts of California has been scheduled by the California Extension Service for April to June.



TENTATIVE PREPARATION TYPES  
OF COTTON TO BE ISSUED.

Issuance of tentative types illustrating preparation of long staple cotton of the grades strict middling, middling, and strict low middling, for permissive use during the next two years was unanimously agreed to at the third international biennial Universal Cotton Standards Conference which concluded its sessions at Washington, March 19.

Possible necessary modification of these tentative standards following two years' experience with the types, and provision for more definite promulgation, may be considered by the next biennial conference. The conference went on record as urging the improvement of present ginning methods used by American ginners, declaring that poor ginning methods are detrimental to the interests of cotton growers, cotton merchants, and spinners.

The conference approved sixty-five sets of the Universal Standards for American Cotton for use during the next two years. One set was drawn by lot and placed in the United States Treasury as first reserve set. The other sets were also drawn by lot to be distributed among the exchanges, associations, and the trade.

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DAIRY COOPERATIVES  
SHOW RAPID GROWTH.

Reports on file with the Bureau of Agricultural Economics show that in the year 1927 there were 2,479 cooperative dairy associations in the United States which did a business of \$640,000,000. This is an increase of 140 per cent over that done by dairy organizations in 1915. The most conspicuous growth in the marketing of dairy products cooperatives has been in Minnesota, Wisconsin, and Iowa, where 41 per cent of the creamery butter manufactured in the United States is produced. Reliable estimates indicate that 60 per cent of the creamery butter coming from these States is manufactured cooperatively.

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CATTLE INDEMNITIES INCREASED.

Increases in the maximum indemnity that may be paid by the Federal Government for grade and purebred cattle condemned because of tuberculosis have been announced by the Bureau of Animal Industry, the maximum Federal share in indemnity payments for grade cattle being increased from \$25 to \$35, and the amount for purebred cattle raised from \$50 to \$70. The new scale became effective February 19.

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"MARKETING THE CABBAGE CROP OF THE LOWER RIO GRANDE VALLEY OF TEXAS", Summary 1928 Season, has been issued by the Bureau of Agricultural Economics.

SLIGHT DECREASE IN MILK USED  
FOR MILK CHOCOLATE PRODUCTION.

Approximately 239,000,000 pounds of whole milk in the form of milk, milk powder, condensed and evaporated milk, and other forms, was used in the manufacture of milk chocolate last year as compared with 243,000,000 pounds in 1927. This quantity of whole milk is the product of about 48,000 cows in the 5,000 pounds producing class. A table showing the distribution of the milk used may be obtained from the Bureau of Agricultural Economics.

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DATES ANNOUNCED FOR COTTON  
GRADE AND STAPLE REPORTS.

The following dates for the issuance of reports on the grade and staple of cotton ginned during the coming season have been announced by the Bureau of Agricultural Economics:

October 25, 1929, 1 p.m., on cotton ginned prior to October 1; November 29, 1 p.m., on cotton ginned prior to November 1; January 3, 1930, 1 p.m., on cotton ginned prior to December 1, 1929; February 14, 1930, 1 p.m., on cotton ginned prior to January 16, 1930; April 18, 1930, 1 p.m., for the total crop as it will be reported by the Bureau of the Census on or about March 20, 1930.

The date on which the report will be made of the grades and staples of cotton carried over on August 1, 1929, will be announced later.

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INCREASED HOLDINGS OF COLD  
STORAGE PRODUCTS REPORTED.

Increased holdings of most cold storage products on March 1, 1929 compared with March 1 a year ago, with the exception of creamery butter, case eggs, and frozen poultry, are reported by the Bureau of Agricultural Economics.

Holdings of creamery butter are reported at 11,911,000 pounds compared with 14,404,000 pounds last March; case eggs 11,000 cases compared with 66,000 cases, and total stocks of frozen poultry 89,080,000 pounds compared with 103,494,000 pounds.

Total meat stocks are reported at 1,127,910,000 pounds March 1 compared with 1,025,392,000 on March 1 a year ago; lard 174,768,000 pounds compared with 121,082,000 pounds, and American cheese 49,435,000 pounds compared with 36,710,000 pounds.

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"SIDELIGHTS ON THE HOG MARKET", a radio talk by C. V. Whalin, has been issued in mimeograph by the Bureau of Agricultural Economics.

NEW YORK MILK SHED MAY  
BE EXTENDED NEXT FALL.

The New York milk shed will be extended next fall, according to H.A. Ross of Cornell University, unless the dairymen in this territory are thoroughly aroused to the seriousness of the present situation. The extension can be avoided, he says, if dairymen will properly care for their cows during the summer and fall.

"The outlook for milk prices," he added, "indicates that such care should be profitable. Shortages were avoided during the fall months of 1925, 1926 and 1927 by the use of storage cream, the establishment of a few new plants in the territory, diversion of milk, and by means of increasing production in individual dairies through price increases and education. In 1928 in spite of renewed appeals for increased production, an actual shortage occurred during the winter months. For a time dealers were even forced to limit their customers.

"No more cows are on New York state farms than were a year ago, although the number of calves and yearlings has increased. The use of milk in the metropolitan area increases on the average of five per cent a year. Unless the cows are so managed as to increase the supply next November by approximately 7,000 cans a day, western cream will have to be admitted to the territory."

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ARMY COOPERATES IN HAY SCHOOL.

A school for the training of men in hay inspection was held at Fort McPherson, Georgia recently, by the Bureau of Agricultural Economics. The Army cooperated in holding the school. Fourteen officers, enlisted men, and civilian employees of the Army, and one civilian of Atlanta, attended the school. Nearly every Army post of the Fourth Corps Area was represented. All but two of those enrolled completed the course satisfactorily.

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RECENT MIMEOGRAPHS  
Bureau of Agricultural Economics.

"The Fed Lamb Situation". radio talk by C. E. Gibbons.

"Publications Issued by Farmers' Business Association, Revised to February 1, 1929."

"Supplementary List of References on the Uses and Products Made of Corn."

"Reduce the Detours in Farm Life" by C. J. Galpin.

"The Egg Market Situation", radio talk by C. E. Eckles.

"Take the 'Dock' out of Dockage."

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"ADVANTAGES OF STANDARDS FOR LIVESTOCK AND MEATS" has been issued by the Department of Agriculture as Miscellaneous Publication 33.

COOPERATIVE BUYING BY FARMERS

Agricultural cooperation has come to be associated in the public mind with selling operations, but selling is not the only function undertaken on a large scale by farmers' business associations in the United States.

Many such associations have entered the field of cooperative purchasing of farm supplies, according to the Division of Cooperative Marketing of the United States Department of Agriculture.

Though cooperative purchasing is not likely to become so large a factor as cooperative selling in American agriculture, it promises nevertheless to become extremely important. In 1925, the Division of Cooperative marketing obtained reports from 10,803 active farmers' cooperative associations. Nearly half these associations reported making cooperative purchases for their members. In 1927, farmers' associations cooperatively purchased feed, seed, fertilizers, containers, and other supplies valued at more than \$300,-000,000. Two farmers' business organizations in that year each handled a total cooperative purchasing business in excess of \$10,000,000, and another handled approximately \$7,800,000 of cooperative purchasing. Half a dozen or more associations each did a cooperative purchasing business in excess of a million dollars.

Statistical data as to the commodities most commonly purchased have been obtained for 1925. In that year 62 per cent of the reporting associations bought feeds, 47 per cent bought fuel, 30 per cent bought containers, 20 per cent bought seed, 19 per cent bought fertilizers, 15 per cent bought building materials, 13 per cent bought fencing, 11 per cent bought implements and machinery. 7 per cent bought hardware, and 30 per cent of the associations purchased miscellaneous commodities.

One of the most recent developments has been the formation of farmers' associations handling gasoline, kerosene, lubricating oil, and other petroleum products. Many of the oil-buying associations have been extremely successful. Forty such associations in 1927 made an average saving of 10.3 per cent of sales, according to a study conducted by the University of Minnesota in cooperation with the Division of Cooperative Marketing of the Department of Agriculture.

Feeds and fertilizers bulk largest in the cooperative buying done by farmers in New England and the Middle Atlantic States. In the South Atlantic States fertilizers, seeds, and containers are the biggest item in cooperative buying. Feeds and fuel are most commonly bought in this way in the North Central States, and containers, including fruit packages, constitute the outstanding phase of the cooperative buying done in the Pacific coast States. Some farmers' associations conduct stores and carry on a general merchandizing business.

Efficient cooperative buying makes possible a material saving in the cost of farm operations, and gives better control of quality in the supplies purchased. Savings are effected through centralized buying, reduced credit losses, and large-scale operations. Organized buying power powerfully supplements organized selling power in the farmer's campaign to eliminate unnecessary or excessive distribution costs. But the benefit thus obtained, though substantial, does not rank first in the advantages of cooperative purchasing. That place is held by the voice given the farmer in determining the quality and character of what he purchases. In buying production goods such as feed and fertilizer, the farmer is interested in prices certainly; but he is primarily interested in getting the kind of goods that he ought to have. Cooperative purchasing protects farmers against having to take articles of the wrong quality or the wrong kind.

SPECIFIC ALLEGATION OF CONDITION OF PERISHABLES WHEN  
SHIPPED MUST BE PROVED

Lawthrop v. E. P. McKenna Brokerage Co.

Court of Appeal of Louisiana, Nov., 1928 (119 So. 881)

From judgment for plaintiff in the Trial Court the defendant appeals.  
Affirmed.

Plaintiff sold to defendant a carload of sweet potatoes, f.o.b. Bokohoma, Oklahoma, for transportation to Shreveport, Louisiana. Defendant denies liability on the ground that--

"Carload of sweet potatoes arrived in Shreveport in apparent good condition, but that the potatoes had a latent, hidden and inherent defect, which could not be ascertained from ordinary inspection; that defendant received the shipment; that the defect with which the potatoes were affected was that they had been frostbitten before they were dug, and this defect could not be detected until the potatoes were cooked or until such time that they began to decompose and decay."

The question to be determined was, "were the potatoes sound when loaded in the car at Bokohoma or were they then frostbitten?". From evidence introduced at the trial, it was shown that upon arrival of the car in Shreveport the potatoes were inspected and found by representatives of defendant to be "all right." The car was permitted to remain on railraod track at Shreveport for ten days before shipment to Fort Worth, Texas, and from that place to Wichita Falls, Texas, and upon arrival at the latter place the potatoes were found to be frostbitten. A half dozen potatoes were taken from the car while it was in Shreveport and were found to be frostbitten, and defendant contends this proves that all of the potatoes were then in that condition and were in that condition when they were loaded in the car at Bokohoma. It appears, however, that these few potatoes were not examined until the car had been in Shreveport for several days. On this point the Court stated:

"Their condition is not proof that the potatoes were damaged on their arrival in Shreveport or when loaded in the car at Bokohoma. The burden was on defendant to establish the defence pleaded that the potatoes were frostbitten before being put in the car at Bokohoma and this it failed to do."

H. F. Fitts

# 5<sup>th</sup> MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C. *J. B. Department of Agriculture*

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★ APR 1 1929 ★

March 27, 1929

Vol. 9, No. 13.

### NEW HAMPSHIRE OFFICIALS

#### CONSIDER GRADING REQUIREMENTS.

Fruit growers and officials of the New Hampshire Department of Agriculture met at Boston, March 25, to consider interpretation of apple grade requirements and regulations.

"There have been numerous complaints on the grading and marketings of our apples this winter," the agricultural department officials declared. "For the future welfare of the industry, it is important that our product be properly marked and graded as marked."

The conference discussed questions such as type and shade of color; amount of deterioration which shall be allowed as "condition" without affecting grade; the length of time the packer may be liable for the guarantee of grade stenciled on the outside of containers. Action taken, following the conference, is to be announced later.

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### CONFERENCE TO CONSIDER

#### CHANGED MARKETING METHODS.

A general conference has been called at New York by the New York Food Marketing Research Council, March 28, to consider the changes which have occurred in the last fifteen to twenty years in the system of distributing certain perishable agricultural products. If commodities such as milk, meats, fruits, vegetables, and poultry products are to be increasingly handled under the new order, it is pointed out by the Council, it would mean (1) elimination of a number of independent operators, as wholesalers, jobbers, slaughterhousemen, and neighborhood retailers; (2) reorganization of the physical facilities at terminals to take care of a decentralization of receipts, and (3) establishment of markets at shipping points in place of the wholesale terminal market. These changes, it is considered, involve questions of economic and social importance which are the concern of the many groups affected. The conference is to be addressed by various interests in agricultural trade who have had extensive experience in their particular form of organization and marketing methods.

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THE MEXICAN REVOLUTION is interfering seriously with shipment of fresh vegetables from Mexico into the United States, the Bureau of Agricultural Economics is informed. It is expected that tomatoes will be much affected, since the great bulk of Mexico's tomato crop is grown in Sinaloa where many railroad bridges have been destroyed.

FARMERS CAUTIOUS IN PLANNING  
ACREAGES THIS YEAR.

Farmers are planning this spring to plant acreages of most crops with an expansion of about two per cent in the aggregate area but are planning some marked shifts between crops, it is indicated in intentions-to-plant reports received by the Bureau of Agricultural Economics from 50,000 farmers in all parts of the country.

"If farmers carry out their present plans," says the Bureau of Agricultural Economics interpreting the reports in a supplemental outlook report for 1929, "there would seem to be a reasonably favorable market outlook for all hay and food crops in the Western States, alfalfa for market, potatoes for market after the first of July, sweet potatoes, rice, flax, large-type peanuts and most types of tobacco."

Farmers are cautioned by the bureau, however, to reconsider intended increased acreage in beans, spring wheat, Burley and flue-cured tobacco, and cabbage in certain areas. Present numbers of livestock, it is pointed out, indicate no material change in prospects for farmers growing hay and feed crops for sale, except in some Western and Northwestern areas, where the severe winter has depleted reserves.

"Spring wheat farmers," the bureau says, "should watch for the April winter wheat report and be guided by it in determining whether to increase the acreage of hard spring wheat. Should the intended increase in acreage of hard red spring wheat of 8.8 per cent be carried out and average yields be obtained, a production of hard red spring wheat only slightly less than in 1928 would result. Such a production with an average winter wheat crop, would be large enough to produce an exportable surplus of the lower qualities of spring wheat.

"The combined acreage of the principal feed grains, corn, oats, barley, and grain sorghums, as now planned is unchanged from the acreage harvested last year and remains 3 per cent above that of 1927. Farmers indicate intentions to increase tame hay acreage approximately 3 per cent above that in 1928. Average yields on this acreage will result in sufficiently increased production to provide a surplus of market grades of hay in the North Central States as contrasted with the present shortage.

"Potato growers indicate they intend to plant 3,418,000 acres or 10.6 per cent less than that harvested last year. Allowing 2 per cent for usual loss of acreage from flood, hail, drouth, blight, and other causes, this intended acreage would leave about 3,350,000 acres for harvest next fall compared with 3,825,000 acres harvested in 1928 and 3,476,000 acres in 1927. With average weather conditions, this acreage would produce somewhere around 390,000,000 bushels, a production which would furnish about the usual supply of potatoes after the heavy holdings from the 1928 crop are off the market."

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"Marketing Louisiana Strawberries, Summary of 1928 Season," has been issued by the Bureau of Agricultural Economics.

MARYLAND REPORTS RESULTS  
OF CANNING INDUSTRY STUDY.

Reporting the results of a study of the canning industry in Maryland, the Department of Agricultural Economics, Maryland University, points out the following "pressing needs" of the industry:

"Production of uniformly good quality products; sound financing system; general adoption and use of uniform standards; reduction of brands and simplification of labels; more adequate cost records; improved methods of sale and distribution; collection and dissemination of pertinent market information; closer associational activity; better utilization of by-products."

A study of the manufacture and distribution of tomatoes, sweet corn, and peas was begun in July, 1925, data being obtained from the books of about 150 canners. Complete details of the survey have been published in Bulletin 301, issued by the University of Maryland Agricultural Experiment Station, College Park, Maryland.

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AGRICULTURAL DEPARTMENT DENIES  
ISSUANCE OF COTTON FORECAST.

It was denied authoritatively on March 23 by Nils A. Olsen, chief of the Bureau of Agricultural Economics, that the Department of Agriculture has issued any forecast of the cotton acreage, crop, demand or price for 1929.

Mr. Olsen in a formal statement declared that "under date of March 22, 1929, the New York News Bureau issued a statement from which the conclusion has been drawn that the Department of Agriculture had forecast the cotton acreage, crop, demand and price for 1929. This conclusion is wholly without foundation. The Department of Agriculture has issued no statement whatever of this nature and, in fact, is prohibited by law from so doing.

"An investigation by the Department shows that the conclusions in the statement were arrived at by a representative of the New York News Bureau from published statistics of acreage, production, consumption and prices for past years available in the Department of Agriculture, and that the interpretation of these statistics was solely that of the New York News Bureau.

"A statement assuming full responsibility for the conclusions drawn in regard to 1929 cotton conditions has been issued by the New York News Bureau."

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COOPERATION INSTITUTE TO  
BE HELD IN LOUISIANA.

July 29 to August 25 is the date named for the holding of the American Institute of Cooperation at the Louisiana State University, Baton Rouge.

UNIVERSAL STANDARDS WOULD  
INCREASE MEAT CONSUMPTION.

The use of universal standards in all branches of the livestock and meat industry would effect economies in production and distribution costs, and result ultimately in increased consumption through the ability of consumers to buy meats according to specified grade, according to C. E. Gibbons, Bureau of Agricultural Economics.

"Unless the consumer can obtain meat which, in all essential respects, comes up to his requirements and expectations," Mr. Gibbons says, "he is likely to use less and less of this commodity and may eventually turn largely to other food products. From observation it seems likely that in every section of the country meat consumption is falling considerably short of its maximum possibilities largely because consumers so often find their meat purchases disappointing in that they fail to give a degree of satisfaction commensurate with their cost."

A timely discussion of the subject has been prepared by Mr. Gibbons and published by the Department of Agriculture as Miscellaneous Publication No. 33-M, entitled "Advantages of Standards for Livestock and Meats."

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COTTON COOPERATIVES SHOW  
PROGRESS IN TEN YEARS.

The cotton cooperative marketing organizations now are on a better operating basis than at any time in the last ten years, according to James S. Hathcock, Bureau of Agricultural Economics.

"The changes made in cooperative marketing of cotton," Mr. Hathcock says, "have effected a closer understanding and working relationship between the associations and their members. Under present contractual arrangements, responsibility is shared with the individual members, particularly with respect to the choice of time when sales are to be made. The members are studying the problems of marketing more carefully than ever before, and the result is certain to be more sympathetic and better informed membership."

"A gradual increase in direct-to-mill sales has been in evidence during recent years, and some of the associations are now selling 100 per cent of their cotton in this way. Classing and grading services have been improved, and the cotton being offered by cotton cooperatives today probably comes nearer to being uniformly classed and stapled than at any previous time in the history of the movement."

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A CLASSIFICATION OF LEAF TOBACCO, covering classes and types of tobacco, under authority of the Tobacco Stocks and Standards Act, has been issued in mimeograph by the Bureau of Agricultural Economics.

SPRAY RESIDUE CLEANSING NO  
DETIMENT TO APPLE QUALITY.

The washing of apples and pears with acidulated water, as practiced in the Pacific Northwest to remove spray residue, apparently does not injure their storage quality, according to a survey of apples in storage recently made by the United States Department of Agriculture.

One hundred and eighty-four cars of western apples which were in storage in Chicago, Kansas City, St. Louis, Philadelphia, and New York, were inspected. Of these lots, 113 cars showed no evidences of decay, and 3 cars showed injury which might be attributed to washing, the type of injury common to these lots resembling burning caused by soluble arsenic.

The department concludes that "it is evident that there is no danger of injury from the dilute solution of hydrochloric acid used in washing the fruit, provided it is handled with reasonable care. This method of cleansing was applied with satisfactory results to approximately 30,000 cars of apples and pears this past season under a wide range of field conditions."

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SKILL REQUIRED IN  
FATTENING BEEF CATTLE.

Because of the higher price of beef, smaller families, and a smaller proportion of the population doing heavy manual labor in recent years as compared with former years, the consumer is demanding lighter weight cuts of beef, says the Department of Agriculture. Cattle breeders and feeders have been gradually adjusting their operations to meet this change. Instead of feeding the heavier type of beefeves commonly marketed forty years ago at four or five years of age, they are now feeding calves and yearlings and marketing them when they weigh from 700 to 1,200 pounds. On account of the tendency of calves to grow rather than to fatten, the department says, more skill is required to fatten them within a reasonable time than is necessary in the case of older cattle. Several phases of the fattening of calves for market are discussed in Farmers' Bulletin No. 1416-F, "Fattening Beef Calves," just issued by the department.

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NATIONAL EGG WEEK will be held the week of May 1 to 7 inclusive, the National Poultry Council has announced.

"ECONOMIC ASPECTS OF THE CATTLE INDUSTRY of the Nebraska Sand Hills" has been issued as Bulletin 231 by the University of Nebraska, Lincoln, Nebraska.

"MARKETING ARIZONA LETTUCE, Summary of 1928 Spring Season," has been mimeographed by the Bureau of Agricultural Economics.

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DETERIORATION IN CONDITION OF PERISHABLES DURING TRANSPORTATION

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Rio Grande & E. P. Ry. v. T. A. Austin & Co.,

Court of Civil Appeals of Texas, December, 1928

(12 S. W. 1070)

This is a suit for damages for injury to a carload of mustard greens shipped from Webb County, Texas, to St. Louis, Missouri, over the lines of appellant as initial carrier and delivered by final carrier in a deteriorated condition. Upon findings of the jury, the Trial Court rendered judgment in favor of Austin & Company for the difference between the market value of the greens in the condition in which they were when delivered to the carrier at point of origin and the price at which they sold, which represented their market value at that time.

The question to be determined upon appeal is the measure of damages applicable, it being stated by the Court that the true ordinary measure of damages is the difference between the market value of the product at the time and in the condition in which it would have arrived upon the market, if received, transported and delivered by the carrier with ordinary care and diligence, and its market value at the time and in the condition in which it is actually delivered at destination. In such case, the carrier would not be liable for damage for deterioration not caused by its delay, but if the shipment is delayed or suffers injury by reason of the carrier's negligence in transporting it, the damages recoverable are measured by the market value of the product at the time and in the condition it is when and if sold upon the first market available after it is tendered or delivered to the consignee. The Court further stated that in this case there was no affirmative showing of negligence upon the part of the carrier, but it is nevertheless liable under its liability as an insurer of a product transported by it but not accompanied by the owner or anyone representing him. The cause of the injury was found chargeable to facts peculiarly within the knowledge of the carrier's agent, and the burden therefore rested upon the carrier to show these facts and free itself from blame.

The jury found that the injury did not result from any fault of the shipper or from the inherent nature of the product shipped, and this finding established the liability of the carrier. The judgment of the lower court therefore was affirmed.

-H.F. Fitts

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"GRAIN GRADING AT COUNTY POINTS", which discusses the development, structure, and application of Federal grain grades in the Southwest has been issued by the Bureau of Agricultural Economics.

STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

★ APR 12 1929 ★

U. S. Department of Agriculture  
BUREAU OF AGRICULTURAL ECONOMICS

April 3, 1929

Vol. 9, No. 14.

### ANNOUNCEMENT

The Atlantic States Division, National Association of Marketing Officials, will meet at Washington, D.C., April 16, for a one-day session to discuss common problems and programs in standardization, shipping point inspection, market news, consumer demand, and other marketing subjects.

The meeting will convene at 10 a.m., April 16, in Room 411, Bureau of Agricultural Economics, 14th and B Streets, S.W., Washington, D.C. A detailed program of the meeting will be published in the April 10 issue of MARKETING ACTIVITIES.

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### PROGRAM FOR NATION-WIDE MARKET NEWS EXPANSION.

Expansion of the agricultural market news services of the Bureau of Agricultural Economics through the establishment of additional field offices in the Pacific Northwest and South, extension of the leased telegraph wire system, and increased activities at existing field offices engaged in the collection and dissemination of farm market news by radio, telegraph, the press, and by mail, has been announced. This extension of the service was provided for by Congress in the appropriation act for the year beginning July 1, 1929.

Expansion of the bureau's market news service includes extension of the leased wire system to Detroit; Cleveland; Nashville, Tennessee; Jackson, Mississippi; New Orleans; Portland, Oregon; Seattle; Spokane, and Boise, Idaho. New offices will be opened in Detroit, Cleveland, and New Orleans, for the purpose of collecting and disseminating market reports on fruits and vegetables. Leased wire connections at Nashville, Tennessee; Jackson, Mississippi, and Boise, Idaho, will be for the purpose of distributing market reports on fruits and vegetables, dairy and poultry products, grain, hay and feed, and livestock. Through cooperative arrangements with the State Department of Agriculture in these States, the material available on the leased wire system will be disseminated from those points by State agencies by the use of the press, mail, radio, and other feasible means.

Extension of the leased wire service to the Pacific Northwest will make available to that important producing section comprehensive market reports on fruits and vegetables, dairy and poultry products, grain and hay, and livestock. A new office for reporting fruits and vegetables and dairy and poultry products will be opened at Seattle. The fruit and vegetable news service will be expanded at Spokane. The present bureau offices at Portland will be enlarged in order to expand materially the fruit and vegetable market news service and the livestock service, and to develop a

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comprehensive market reporting service on dairy and poultry products and on grain and hay.

The bureau contemplates also that the grain and hay market news service will be expanded by opening an office at San Antonio in order to serve the Southwest, and expects to station a representative of this service at San Francisco. It is also planned to begin the reporting of locally dressed meats in New York and San Francisco, the present service at these points being limited to reporting shipped-in meats. Some additional clerical help will be furnished to certain of the middle western livestock reporting offices. Reports on eggs and poultry will also be inaugurated in New York and Chicago.

Completion of the market news extension plans will place in daily operation over 10,000 miles of leased telegraph wires from Coast to Coast, into the Northwest, the Southwest, Southeast and South. Headquarters of the system are at Washington where a battery of operators are in constant communication with the forty branch offices which have drops from the leased wire. At any time of day each branch office and Washington headquarters have a complete report on prices, shipments, and the market situation in practically all the leading consuming markets of the country. Each office during the day secures wide distribution of the local market conditions and conditions in competing markets by means of radio, the press, telephone, and mail. This system in conjunction with the bureau's foreign crop and market news service makes it possible for farmers to obtain practically instantaneous reports on the markets for all the principal agricultural commodities.

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MORE HIGH-GRADE ALFALFA HAY  
CAN BE PRODUCED PROFITABLY.

High-grade alfalfa hay could be profitably produced and marketed in much greater quantities than at present, declare hay marketing specialists of the Bureau of Agricultural Economics. Dealers in all big alfalfa-hay-distributing markets, it is pointed out, annually receive thousands of orders from dairymen for high-grade alfalfa hay which they can not fill because an insufficient quantity of such hay is produced. Many dairymen who do not now utilize much alfalfa hay, it is believed, would become buyers if supplies of high-grade hay were available at all times. Farmers who grow alfalfa for a cash crop are urged to study market demands and then make their production and loading practices conform to the market requirements. Methods of producing, baling, and loading high-grade alfalfa hay for market are discussed in Farmers' Bulletin 1539-F, entitled "High-Grade Alfalfa Hay", just issued by the Department of Agriculture.

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THE FIRST OF A SERIES OF REGIONAL MEETINGS for the purpose of discussing the livestock situation in Missouri is being held today at Marshall, Missouri, by the Missouri Live Stock Association. The object of the meetings is to promote economic production, preparation, and marketing of live-stock and livestock products.

WELL-BALANCED CROP PROGRAM  
IS REPORTED THIS SEASON.

Farming preparations for the coming agricultural season are gradually getting under way. Farm work has been started in the North, a considerable part of the oats acreage has been sown, and preparations are going forward for the whole crop program, says the Bureau of Agricultural Economics in its April 1 report on the situation.

Farm work in the South, however, has been delayed by heavy rains. Winter wheat is starting up rapidly, and farmers generally report that less winter wheat acreage than usual will be abandoned this spring. Fruit trees have shown about normal progress, early varieties being now in bloom well up into the North.

Butter production has held up remarkably well, says the bureau, despite the severe winter in the principal dairy sections. For the country as a whole, butter production is estimated to have been slightly heavier in January, and again in February, than last year, and in some of the leading States, such as Minnesota, Wisconsin, and Iowa, the increases were large. The market has been supported, however, by unusually light stocks of butter in cold storage.

The belated seasonal decline on the egg markets was in full swing during the past month. February prices tended upward, due to extremely short receipts, whereas the usual thing is a marked decline during that month; but March prices tended sharply downward when the belated late winter and early spring flush began to be felt, instead of showing the more normal slight advances.

Market supplies of potatoes, according to the bureau, are still rather moderate in many consuming centers, although shipments have become heavy, amounting to an average of more than 900 cars daily since the middle of March. Demand is slow in most markets, and price changes slant downward. The low returns to producers tend to lessen activity in the Upper Lakes region where holdings of old potatoes are liberal. There are still considerable local supplies near consuming centers, tending to reduce the demand for car-lot shipments, which have been less than last season so far by about one-fifth.

Discussing farmers plans for the coming season, the bureau declares that the low price of durum wheat has influenced growers in the spring wheat territory to plan a reduction of 20 per cent in durum acreage, but that this would be made up by increases of 8 per cent more bread wheat, 10 per cent more flax, and 6 per cent more barley, the prospective combinations varying from section to section from Minnesota to Montana.

Potato growers are planning about an 11 per cent reduction in acreage as contrasted with last spring when an increase was planned and carried out against all warnings and was followed by a crop that broke the market. The bureau believes that the decrease contemplated this year should help bring the main potato crop back into line for more profitable prices.

On the whole, the bureau declares, it appears that the general crop program this spring is well balanced, barring some possible overplanting of spring wheat, burley tobacco, and, in certain areas, beans and cabbage.

DELAWARE DECLARES AGAINST  
CONSIGNMENTS TO UNKNOWN BUYERS.

The Delaware Bureau of Markets is advising poultry and egg shippers not to consign shipments nor to extend credit to unknown buyers or dealers. Director Wilmer T. Derickson of the Delaware Bureau has investigated numerous cases of fraudulent practices by unknown buyers, as a result of which he lays down the general rule that shippers should question quotations above the market, made by such buyers. A service has been established by the Delaware Bureau whereby shippers may obtain information regarding unknown buyers.

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FARM PRICE INDEX ADVANCES  
DURING PAST MONTH.

The index of the general level of farm prices advanced from 136 to 140 per cent of the pre-war level from February 15 to March 15, reports the Bureau of Agricultural Economics. At 140, the index is 3 points higher than on March 15, 1928, and 14 points higher than in March two years ago.

The advance of 4 points since February 15 is accounted for by a seasonal advance in the farm price of horses and mules, a sharp advance in the price of hogs, moderate price advances of all other meat animals, corn, cotton, and apples, and slight advances in the farm price of wheat, flax-seed, hay, milk cows, butterfat, and chickens. The upturns in these commodities, however, were partially offset by a seasonal decline in egg prices and minor declines in farm prices of oats, barley, potatoes and wool.

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PENNSYLVANIA FARMERS AIM FOR  
"HIGH QUALITY PRODUCE".

Greater interest in production and marketing of high quality products has been manifested by the farmers of Pennsylvania during the past two years, declares George A. Stuart, Director, Bureau of Markets, Pennsylvania Department of Agriculture, in his biennial report to C. G. Jordan, Secretary of Agriculture.

Demand for services of marketing specialists, according to the report, has increased two and even three-fold in several lines of work conducted by the Bureau during recent years. Shipping point inspections of fruits and vegetables have increased, and standardization work of the Bureau in the poultry industry is reported to have trebled over the 1925-26 period.

Improvement of farmers' markets is being given special consideration, Mr. Stuart says. Four new farmers' markets were organized and established during the past two years. Many market houses in Pennsylvania, Mr. Stuart says, have been renovated and the managements of numerous markets have adopted more aggressive methods of bringing business to farmers' markets as a result of the ideas interchanged at meetings of private market companies and municipal market managers.

Increased activity in gathering and publishing market news is also reported.

WEST VIRGINIA LEGISLATES  
ON PRODUCE GRADING.

The West Virginia Senate on March 9, 1929, passed a bill to amend and re-enact Chapter 55 of the acts of the Legislature of 1923, relating to the grading and packing of fruits and vegetables for sale. The new legislation provides:

"Section 1. That the commissioner of agriculture is hereby directed to establish and promulgate from time to time official standard grades for all closed packages of fruits and vegetables, by which the quantity, quality, and size may be determined, and prescribe and promulgate rules and regulations governing the markings which shall be required upon packages of fruits and vegetables for the purpose of showing the name and address of the producer or packer, the variety, quantity, quality and size of the product.

"It is the intent of this act that the commissioner of agriculture of West Virginia shall promulgate all United States standard grades for fruits and vegetables and after consulting with the president of the state horticultural society and a committee of five fruit and vegetable growers appointed by the president of the state horticultural society, such committee to be made up of growers from the various fruit and vegetable producing sections of the state and shall act with their advice and consent in establishing such other grades within the state of West Virginia as in their judgment may be advisable.

"Sec. 2. Whenever such standards for the grade or other classification of fruits and vegetables under this act becomes effective, every closed package containing fruits or vegetables grown and packed in the state of West Virginia and sold, offered or exposed for sale, or packed for sale or transported for sale by any person, firm, company or organization, shall bear conspicuously upon the outside thereof, in plain words and figures, such markings as are prescribed by the commissioner of agriculture of West Virginia under the provisions of this act."

Section 3 of the bill charges the commissioner of agriculture of West Virginia with the enforcement of the provisions of the act.

"Sec. 4. When fruits or vegetables in closed packages are delivered to a railroad station or a common carrier for shipment, or delivered to a storage house for storage, such delivery shall be prima facie evidence that the fruits and vegetables are offered or exposed for sale, except in movement of unpacked and unlabeled fruits or vegetables for the purpose of re-packing."

Sections 5 and 6 deal with penalties and exemptions under the act, and Section 7 provides that "all certificates issued by inspectors in compliance with the regulations of the secretary of agriculture of the United States governing the inspection of fruits and vegetables pursuant to the act making appropriations for the United States department of agriculture, or pursuant to this act, shall be admissible as prima facie evidence in all courts of this state."

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"MARKETING TEXAS BERMUDA ONIONS, Summary of 1928 Season, has been issued in mimeograph by the Bureau of Agricultural Economics.

TRADE CUSTOM DOES NOT AFFECT NEGLIGENCE UNDER THE LAW

Jonesboro Compress Co. v. Hall, et al.

Supreme Court of Arkansas, Jan. 1929 ( 13 S. W., 2nd, 298)

An action by W. A. Hall and others against Jonesboro Compress Co. to recover value of cotton stored by plaintiffs in warehouse of defendant in the city of Jonesboro resulted in a verdict for plaintiffs. From the judgment defendant appeals. Affirmed.

The cotton in question was destroyed by fire discovered at noon time, and numerous acts of negligence were alleged by plaintiffs as the cause thereof. Of these various allegations of negligence, the only ground upon which there was enough evidence to go to the jury was that of failure by compress company to keep a watchman on the premises during the noon hour and the jury was told to find for defendant if this ground of negligence was not established by the testimony. The defendant testified that it was not customary to employ watchmen at compresses except at night and on Sundays and holidays; that at all times when the compress was in operation no special watchmen were employed as every employee was a watchman. Several witnesses also testified to this effect.

In commenting upon this point the court stated that "such testimony is admitted not for the purpose of permitting persons engaged in the kind of business out of which the damage arose to artificially and without the supervision of the courts determine what does or does not constitute negligence, but is admitted as bearing upon the degree of care which an ordinarily prudent person would use under the circumstances of a particular case." Further along this line, "If one whose conduct was called into account as having caused an injury was shown not to have used the care which an ordinarily prudent person would and should have used under existing circumstances, then he is negligent."

After careful consideration the court was unwilling to say as a matter of law that the failure of defendant to keep a watchman at the compress during the noon hour was not negligence although this was not the custom of other compresses. This evidently was based upon the fact that cotton is one of the most inflammable substances and that a fire in cotton spreads with great rapidity; also upon the fact that during the noon hour in question several persons unloaded cotton into the section where the fire later occurred and that no employee of the compress was present at the time.

Although the receipts issued by the compress company indicated that the cotton was not insured by it against loss or damage by fire or lightning, it was held that the liability of the compress company was that of a warehouseman and it was liable for the loss of the cotton by fire only in case its negligence was the proximate cause thereof. The court was of the opinion that the fire hazards in this case were such as to make the question one of fact whether a watchman should have been employed. It was determined by the jury that this was the duty of the compress company and the testimony was held on appeal to be legally sufficient to support the verdict for plaintiffs.

STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

APR 12 1929

April 10, 1929

Vol. 9, No. 15

### MARKETING OFFICIALS MEETING PROGRAM

The following program has been announced for the meeting of the Atlantic States Division of the National Association of Marketing Officials, at Washington, D.C., April 16. The meeting will be held in Room 411, Bureau of Agricultural Economics, 1358 B Street S.W.

Following the opening of the meeting at 9 a.m. and an address by Nils A. Olsen, chief, Bureau of Agricultural Economics, there will be an address on the marketing of potatoes in small sacks by W. T. Doyle, Textile Bag Manufacturing Association, Chicago. New England grading and labeling will be discussed by Laurence A. Bevan, Massachusetts; shipping point auctions by W. T. Derickson, Delaware, W. W. Oley, New Jersey, and S. B. Shaw, Maryland; and egg grading and identification by M. H. Brightman, Rhode Island.

The afternoon session will open with a discussion of licensing and bonding of commission merchants, followed by an address on the grading of produce for canning houses by D. M. James, Pennsylvania; and apple export requirements by a speaker to be announced later. After addresses on all subjects there will be open discussions.

There will be a meeting of the Executive Committee of the National Association of Marketing Officials at the close of the afternoon session. S. B. Shaw, Maryland, is Chairman of the Atlantic States Division, and W. W. Oley, New Jersey, Secretary.

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### PENNSYLVANIA REPORTS ON GRADING CANNERY PRODUCTS.

Selling cannery products on a graded basis is expected to increase in Pennsylvania following experience of the past year, the Pennsylvania Bureau of Markets has announced. Standardization was started in 1927 at three tomato canneries in Pennsylvania. In 1928, the work was developed to include grading of apples and grapes for canning, so that during the 1928 season approximately 8,842,000 pounds of raw cannery products, consisting of 5,653,000 pounds of grapes, 2,284,000 pounds of apples and 905,000 pounds of tomatoes were inspected and classified by the Pennsylvania Bureau of Markets.

Growers and canners, says the bureau in a publication just issued, entitled "Improving Quality by Grading Cannery Products", believe that returns should be based upon quality and that supervised inspection is the fairest method of determining quality. Copies of the bulletin may be obtained free from the Department of Agriculture, Harrisburg, Pennsylvania.

MR. DUNLAP ASKED TO CONTINUE  
AS ASSISTANT SECRETARY.

Renick W. Dunlap of Ohio, Assistant Secretary of Agriculture for the last four years, has been asked by President Hoover to continue in that office, the United States Department of Agriculture has announced.

Mr. Dunlap is a graduate of the College of Agriculture of Ohio State University. He was State Dairy and Food Commissioner of Ohio for several years, and was also Secretary of the State Board of Agriculture.

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FEDERAL RESEARCH MAN TO HEAD  
RESEARCH OF FARM COOPERATIVE.

H. M. Conway, livestock economist, Bureau of Agricultural Economics, has resigned to take charge of an economic research department being organized by the National Live Stock Producers Association. Mr. Conway has been connected with the Federal bureau for six years, during which time he has made special studies of livestock production and marketing trends, cycles and seasonal changes.

The organization of economic research departments by farmers' cooperative associations, bureau officials say, marks the latest advance in the merchandising of farm products. Many of the large cooperative associations marketing cotton, fruits, dairy and poultry products have organized such departments for the study of production and marketing problems so as to formulate merchandising and price policies.

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BUSHEL BASKET A POOR  
EXPORT PACKAGE.

Declaring that the bushel basket is a poor export package, Edwin Smith, foreign representative of the Bureau of Agricultural Economics suggests the use of barrels or boxes for small apples, early apples, and for all varieties of pears. Baskets arrive abroad in poor condition, and the fruit is commonly badly bruised as compared with that in barrels.

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SEES STRONG MARKET  
FOR FAT CATTLE.

Heavy marketings of fed cattle early in the year, together with reduced shipments of stockers and feeders to the country, point to reduced supplies of fat cattle in the late summer and fall and the probability of a strong market for such kinds similar to that experienced in late 1927, according to C. A. Burmeister, Bureau of Agricultural Economics.

NEW DETROIT PRODUCE TERMINAL  
EXPECTED TO REDUCE COSTS.

A marked reduction in costs of doing business on the part of Detroit carlot fruit and vegetable dealers is expected to result from the operation of the new union wholesale produce terminal now being erected in that city, declares G. V. Branch, Director, Detroit Bureau of Markets.

"Competition," he says in his annual report for 1928, "will insure that this saving be passed on to growers and consumers. The handling and distribution of fruits and vegetables will be speeded up and made more of a merchandising business instead of continuous speculation. Refrigerator cars will be unloaded and given over-night release instead of being opened as at present and then held on the tracks for days before the contents are entirely sold. Demurrage and track storage charges will be reduced to a negligible factor. Dealers will be enabled to report and remit immediately to growers and shippers of consigned cars, thus stimulating further shipments to this market. Offerings of cars of fruits and vegetables in the terminal will be proportioned to the demand and each day's offerings will be sold on the day offered, thus insuring a continuous quick movement of fresh goods. When the terminal is completed the carlot produce trade in its entirety, constituting a business with yearly sales exceeding \$50,000,000 will move to the new location."

The Detroit Bureau of Markets handles the administration, maintenance and general extension of municipally-owned public farmers' markets and maintains a market news and price information service on products sold on these markets. It works with producers and city distributors of milk on marketing problems, and with the local wholesale produce trade on all matters of mutual interest.

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POTATO GROWERS ADVISED  
ON MARKETING PRACTICES.

Whenever total potato production for the United States has approached or exceeded 3.8 bushels per capita of the population, the price has tended downward during the season, but the price trend has usually been upward whenever the yield fell below 3.2 bushels per capita, says the United States Department of Agriculture publishing the results of potato marketing studies by the Bureau of Agricultural Economics.

During the last twenty-seven years, according to these studies, growers were usually justified in holding only when the indicated crop was far below the average, or was not much more than 3 bushels per capita. In other years, the chance of profit to growers was too uncertain to balance the added risk, cost, and shrinkage. Growers who acted according to early forecasts, selling at once when heavy yields were indicated, or selling at convenience in case of doubt, and holding only in very scarce seasons, apparently had a chance of being right three out of four times, judging from the outcome of seasons since 1900.

THE CANADIAN WHEAT POOL\*

The Canadian Wheat Pool created in 1924 unites 140,000 farmers in the western section of the country. The post-war depression forced the farmers to help themselves and to establish this organization. In 1926-27 it handled 200,000,000 bushels of wheat, of which it exported 125,000,000 bushels directly to 24 different countries, equivalent to 15 per cent of all wheat entering into the international market. In 1927-28 a gross turnover of \$323,847,282.41, total wheat handlings of 215,489,563 bushels and total coarse grain handlings of 18,319,009 bushels were reported by the Directors of the Canadian Wheat Pool.

There are 4,558 grain elevators in Canada, with a total capacity of 284,818,200 bushels. Country elevators number 4,439, with a capacity of 146,639,200 bushels. Terminal manufacturing, public and private elevators total 119, with an aggregate capacity of 138,179,000 bushels. The largest terminal elevator in North America is at Port Arthur, Ontario. It has a capacity of 6,900,000 bushels. It is owned and operated by the Saskatchewan Pool of the Canadian Wheat Producers, Ltd., the largest farmers' cooperative marketing organization in the world.

At the present time about two-thirds of the wheat acreage of the Prairie Provinces is signed up to the respective pools. A grower signs a five-year contract to sell all his grain to the pool. A grower may make delivery of his grain to his pool in one of three ways. He may load a car directly from his wagons over a loading platform and consign it to the order of the pool office at Winnipeg or Calgary. He may deliver wheat to the country elevator operated by the provincial pool. Or he may deliver his produce to one of the privately owned elevators which have signed handling contracts with the pool. The grade of wheat is determined at the place of acceptance, and a farmer receives an initial payment in accordance with a schedule which for the last four years has been on a basis of \$1 a bushel for No. 1 Northern, Fort William or Vancouver. A farmer receives also a "participation certificate" entitling him to a prorata share in whatever may be realized from the sale of the indicated grade of grain through the Central Selling Agency.

In order to concentrate market supply and to reduce marketing costs, the selling of grain is done through a single agency, "The Central Selling Agency", which makes direct sellings. As the Central Selling Agency gradually disposes of its holdings it is able to repay its bank borrowings and to accumulate balances for further payments to members. The second payment to the farmers is made just before seeding time, the third in July before harvesting and the fourth or final payment at the end of October, by which time the Central Selling Agency disposes of most of its previous holdings. Each provincial pool receives from the Central its pro-rata share of the sales receipts and redistributes them to its members, after deducting the ascertained per bushel operating costs and the amounts to be retained as elevator and commercial reserve. Two cents per bushel is the maximum deducted for the elevator reserve account. A grower receives 6 per cent interest on this deduction. During 1926-27 the surplus earnings of the Saskatchewan Pool country and terminal elevators amounted to \$1,375,000, equivalent to a rebate to farmers of 1 3/4 cents per bushel on all grain delivered.

\*Dimitry T. Pitt, "The Principles of Consumers', Producers' and Credit Cooperation", State of New Jersey Department of Agriculture Circular No. 153.

DELAY OF RAILROAD MAKES IT LIABLE FOR DAMAGE TO PERISHABLES

Saliba v. New York Central R. R. Co.  
Supreme Court of Vermont, January, 1929, (144 Atl. 194)

Plaintiff shipped a carload of bananas from New York City to Barre, Vermont, and sued to recover for damages on account of excessive ripening of the fruit, caused, as he claimed, by unreasonable delay in transit. In the lower court verdict was for plaintiff and defendant appealed. Judgment affirmed.

The shipment left New York City on the afternoon of January 19 and was delivered to plaintiff at Barre, Vermont, on the morning of January 24. There were several stops en route and the evidence of plaintiff tended to show that if it had not been for delay at North Adams, Mass., the car would have reached destination much earlier, in fact, by two days. Evidence further showed that the usual time for through shipments of bananas between New York and Barre was three days, whereas this shipment took five days.

The usual precautionary measures were taken by the shipper to insure proper temperature of the car and the fruit upon loading was found to be in good condition. The delay, as claimed, took place beyond the line of the defendant railroad, which was the initial carrier, but no question was raised or could be raised as to the liability of the defendant for loss caused by the fault of its connecting carrier.

Defendant contended that the damage was due to the inherent nature of the fruit and, therefore, the defendant would be liable only in case of negligence, of which there was no evidence, and also that the shipper took care of the fruit in transit and by a clause in the bill of lading the carrier is not responsible for the fault or neglect of the shipper. In discussing the case the court stated, "A carrier is not an insurer against delay, and reasonable diligence to prevent it is all that is required. What is reasonable diligence is to be decided in view of the circumstances and one of the circumstances is the perishable nature of the freight carried. \* \* \* The carrier is not liable for damages caused by the fault of the shipper or the inherent nature of the goods. Especially is this so where the freight is perishable and the shipper places an agent in charge of the goods who accompanies them during transit; but if the carrier itself is guilty of some negligent act or omission, without which, notwithstanding the fault of the shipper, the loss would not have occurred, it is liable."

It appears that the delay of the car at North Adams was an unusual delay and that the carrier did not attempt to excuse or explain it and that such failure to excuse or explain the delay raised the natural presumption

of negligence and was sufficient *prima facie* evidence of the want of due and reasonable care on the part of defendant. Defendant argued that the delay at North Adams had nothing to do with the condition of the bananas and that they were not injured thereby, but it was held that the question is not whether the ripening of the fruit took place during the time the train remained at North Adams or at any other point, but whether the delay was the proximate cause of the ripening before delivery to plaintiff.

The court further stated that if the damage which occurred by the operation of natural causes might have been avoided by human prudence or foresight reasonably expected from the carrier, but not exercised by it, it is responsible. It is upon this ground that the judgment of the lower court was affirmed.

H. F. Fitts

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ENT MIMEOGRAPHS  
Bureau of Agricultural Economics

"Marketing Southern Alabama Potatoes, Summary of 1928 Season"

"Marketing Eastern Shore Strawberries, Summary of 1928 Season"

"Methods of Forecasting New England Potato Yields, a Study of the Relationship of Yields to Reported Condition and Weather Data".

"The Problem of Handling Surpluses of Farm Products" by Mordecai Ezekiel. (Address, American Farm Economic Association, Chicago, December 28, 1928)

"Significance of Recent Changes in the Cooperative Marketing of Cotton" by James S. Hathcock.

"Some Problems in the Organization of the Local Cooperative Creamery" by Tom G. Stitts.

"Marketing Strawberries from the Ozark Section of Missouri and Arkansas, Summary of 1928 Season."

"Marketing North Carolina Strawberries, Summary of 1928 Season".

"Marketing Florida Tomatoes, Summary of 1928 Season."

"Leading Problems in the Cooperative Marketing of Rice" by J. E. Wells, Jr.

"United States Agricultural Trade with the Philippines".

## MARKETING ACTIVITIES

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## AND OTHER ECONOMIC WORK

★ APR 25 1928 ★

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

April 17, 1929

Vol. 9, No. 16

ATLANTIC STATES MARKETING OFFICIALS MEETRepresentatives From 12 States Discuss Common Problems  
in the Marketing of Perishable Crops.

State marketing officials representing twelve States of the Atlantic States Division of the National Association of Marketing Officials met with officials of the Bureau of Agricultural Economics at Washington, D. C., on April 16, for a general discussion of current problems in marketing the perishable crops of the eastern States. State representation at the meeting included New York, Maryland, Ohio, Pennsylvania, Delaware, New Jersey, Maine, West Virginia, Rhode Island, Massachusetts, Virginia, and North Carolina.

The chief topics of discussion included the marketing of potatoes in 15-pound packages; the unified grading and labeling program of the New England States; shipping point auctions in Delaware, New Jersey, and Maryland; licensing and bonding of commission merchants, and the grading of produce for canning factories. W. W. Oley of the New Jersey Division of Markets was elected Chairman, and Laurence A. Bevan of the Massachusetts Bureau of Markets was elected Secretary of the Atlantic States Division for the ensuing year.

Farmers Need Information

Declaring that much of the solution of the agricultural problem is in the hands of farmers themselves, apart from Government aid, Nils A. Olsen, chief of the Bureau of Agricultural Economics, stressed the importance of supplying farmers with factual and interpretative information to assist them in production and marketing. The problem of surpluses which tend to depress prices below the point where farmers get adequate returns, he said, cannot be solved overnight by Government legislation; it is a long-time problem in which individual farmers must be guided in the intelligent organization of their business to meet market demands both for quantity and quality of products.

Marketing Potatoes in Small SacksA. C. Armstrong, Textile Bag Mfg. Assn., Chicago.

An experiment in marketing northern potatoes in 15-pound packages was described by Mr. Armstrong. Representatives of the association called upon 45 Chicago dealers to ascertain their attitude toward a retail package for potatoes. Forty per cent were in favor of a bag holding either 15 or 25 pounds; 50 per cent were indifferent, and 10 per cent were opposed.

Seven hundred grocers were interviewed, 65 per cent of whom liked the idea; 12 per cent were doubtful but were willing to try it, and 23 per cent believed they could not sell packaged potatoes in their neighborhoods. The Association learned that the average retail sale of potatoes in Chicago was a fraction over 7 pounds, and argued that by packaging in 15 pound bags the unit sale could be increased to 15 pounds. The Association then had a field worker call on 650 housewives, most of whom liked the idea of a 15 pound package of potatoes of uniform quality and carrying a brand.

Encouraged by this preliminary survey, the Association planned an experimental shipment in cooperation with the Michigan Potato Growers Exchange, and a commission house in Buffalo, New York. Practically the entire fruit and vegetable trade and all grocers in Buffalo were interviewed, and orders obtained for 1,500 15-pound bags of potatoes. An advertisement was run in the Buffalo newspapers announcing the availability of the 15-pound packages, and carrying the names of retailers handling the potatoes. The sacks sold for 10 cents to 12 cents above the prevailing market, and sold better in the higher class neighborhoods than in the cheaper parts of the city.

Mr. Armstrong declared that the Michigan Potato Exchange is planning to continue the experiment next season.

#### New England Grading and Labeling

Laurence A. Bevan, Massachusetts Bureau of Markets.

Meeting the New England demand for farm products with home grown commodities was declared by Mr. Bevan to be the chief objective of the recently organized New England Council. The program adopted by the Council is to pass similar laws in each State giving authority to the State Departments of Agriculture to establish voluntary grades and standards for farm products, and to inspect same; to make standards uniform throughout the New England States, based on United States grades; to give authority to State Departments of Agriculture to design brands and labels to identify such products, and power to control such brands; conduct an educational campaign among producers to acquaint them with present marketing conditions, show details of grading and labeling campaigns, and show that grading may pay for itself; to get research agencies at work collecting data on grading and marketing methods; to determine the best plan for cooperation to place volume of goods on the market, and to carry out a plan for advertising goods to consumers.

Grades have been established on eggs, potatoes, maple products, butter, some vegetables, hatching eggs, and chicks. An identifying label with the New England idea uppermost was designed. Definite use of grades was started on products going to consumers in original form, labels being used on cartons of eggs, maple syrup in bottles, asparagus in bunches, potatoes in cartons, celery in wrapped bunches, and day-old chicks in pasteboard boxes. Future plans of the Council provide for building up an adequate volume of supply to meet New England consumer demand, and consumer advertising featuring New England produced and guaranteed commodities. Connecticut, Vermont, New Hampshire, Maine, Massachusetts, and Rhode Island compose the New England Council.

Shipping Point Auctions.

Strawberry auctions at country points in Delaware were described by W. T. Derickson of the Delaware Bureau of Markets. He declared that practically all shipping points have auction markets, but that in all but two of these auctions, the buyers act as their own auctioneers, the produce being secured by the highest bidder.

W. W. Oley of the New Jersey Bureau of Markets declared that peaches have been sold by auction at shipping points in New Jersey for thirty years, but that only one of these old auction markets, that at Oldwick in Hunterdon County, is still doing business. Recently two shipping point auctions were established in South Jersey to handle vegetables and berries. Produce sold to best advantage on these markets include strawberries, peppers, string beans, lima beans, squash, lettuce, and blackberries, total sales last year aggregating nearly \$300,000. These auctions are grower-owned and controlled. Within a week a similar market was opened in Atlantic County.

S. B. Shaw, Maryland State Department of Markets, declared there are seven auctions for strawberries on the eastern shore of Maryland, two for cantaloupes, and one for cucumbers. The auction blocks are owned by private individuals and are operated by a group in which the brokers are the controlling factors. These brokers act in combination and control prices. It is almost impossible to establish shipping point inspection at these places because the output is controlled by the brokers. A system of inspection on strawberries was started last year, however, which it is believed will tend to bring about better handling of this commodity. The brokers voluntarily decided they wanted inspection and as a result of co-operation with the Bureau of Agricultural Economics, a system whereby berries could be inspected before they go through the auction block was worked out.

Egg Grading and Identification

M. H. Brightman, Rhode Island Bureau of Markets.

Mr. Brightman reported that in a recent survey he learned that of 40 States replying to his questionnaire, 17 States have laws pertaining to candling, many of them requiring the candling of eggs by all others than producers, throughout the year, although some require candling only during the summer and fall months; 15 States have some form of permissive grading; 4 States have laws compelling grading at least to some extent, and 6 States have legislation requiring all who are handling eggs, other than producers, to be licensed. Only 2 States outside of the 6 New England States have taken any definite steps toward some official means of identification of their product. Each of the New England States, except New Hampshire, at present has definite grades for eggs, and New Hampshire will have grades established within a few months.

While the grades in New England have been in effect only a little more than a year, Mr. Brightman declared, consumers have shown a preference

for produce that is carefully graded and identified. In the wholesale market during this time, a price advantage has been recognized of from 3 to 5 cents a dozen, and the retail market has shown an advantage of from 5 to 10 cents a dozen. Some individuals have been able to receive as much as 20 to 25 cents a dozen premium for their eggs. Besides identifying these eggs with a common label, a uniform carton is used in most of the New England States.

H. D. Phillips, New York State Bureau of Markets, described the New York egg grading law (this law has been discussed in previous issues of MARKETING ACTIVITIES) and reported the passage of new legislation in that State amending the agriculture and markets law, in relation to cold storage. The egg grading law had removed eggs from the existing cold storage legislation, but the subsequent amendment struck out the section which had taken eggs from under the cold storage law, and the cold storage law was re-written. The new bill brings all cold storage warehouses under the law removing exemption for fruit, vegetables and cheese storage; requires applicant for license to show financial responsibility and competency to operate a storage, and requires rendering of financial reports; changes requirement concerning time food may be held in storage, eliminating the "12 month" limit and instead prohibiting storage beyond time when food is sound and wholesale, and eliminates former requirement that "cold storage food" be so represented when sold, except that such notation shall appear on any invoice rendered.

#### Licensing and Bonding of Commission Merchants

H. Deane Phillips, New York State Bureau of Markets.

Mr. Phillips declared that the main requirements of the Commission Merchant Law in New York State are that all persons who receive and sell farm products on a commission basis must be licensed by the State, must file a \$3,000 bond for the protection of consignor creditors, and must render a true and detailed accounting to the shipper for produce. Power to withhold the granting of a license when reasons seem adequate, as well as to revoke a license previously granted, he declared, has made it possible to cleanse the produce trade of many hangers-on who, otherwise, as in the past, would have caused serious losses to shippers.

During the ten-year period since 1918, that the law has been in effect, Mr. Phillips said, a total of 48 licensed commission merchants have defaulted in their payments and recourse has been had to the bonds filed by them for the protection of shippers. In settling these cases, 1162 verified complaints were received. The total amount recovered from the various sureties and distributed to complainants has amounted to \$79,122. In a few cases, commission merchants who had thus defaulted in payment were found to owe consignor creditors in excess of the amount of the bond, but in most cases the full amount of the claim has been paid, representing money which otherwise would have been inevitably lost to the shipper.

E. L. Roberts, National League of Commission Merchants, composed of 750 receivers and shippers of fruits and vegetables in the eastern part of the United States, declared that the League desires to cooperate with State and Federal marketing officials in driving irresponsible persons out

of the industry. The League has a system of arbitration whereby anyone having complaints against any member of the League may have the complaints investigated. The League, Mr. Roberts said, has taken a neutral position on the so-called Borah Federal Licensing Bill. He declared that with regard to State legislation, the League would prefer that if there are any bills contemplated in the State legislatures under the subject of mandatory licensing, action on these bills be withheld until final determination of the Federal bill, in the interest of uniformity. He urged that the State marketing officials endeavor to inculcate in the minds of shippers the need for looking into the responsibility of their city connections.

#### Grading of Produce for the Canning House

D. M. James, Pennsylvania Bureau of Markets.

The canning industry in recent years, Mr. James declared, has reached the point of overproduction, which has been hastened by the serious competition from the fresh fruit and vegetable industries. Nevertheless, the production of an increasing proportion of higher quality raw cannery products has not kept pace with the greater demand for higher quality finished products from the buying trade. The canners are probably more to blame for this than the growers, the producer of a high quality raw product being penalized, when selling on a flat rate basis, by the producer of poor quality. The increased cost of producing higher-than-average quality is not returned to the grower in the form of a higher rate of payment for his stock, but it is given to the grower of lower-than-average quality, to bring his rate of payment up to the average rate.

The Bureau of Markets has had the experience of only one year in grading raw products received at Pennsylvania canneries. In 1928, State inspectors' gradings were the basis for payment at three tomato canneries and at one grape juice plant. Inspections were made at two apple canneries for experimental purposes only and not as the basis for paying growers. Experience to date, Mr. James said, has shown the following situation:

Canners find it difficult to contract for normal acreage the first year, but the second year they can get all they need or more than they can handle. Growers who fail to contract under the graded system are generally producers of the poorest quality. Producers of high quality generally increase their acreage under the graded system since they receive a relatively high price for their stock. Canneries which are more or less isolated are quicker to adopt the graded system than those located in sections of keen competition. The percentage of culls received by the canneries decreases when the graded system of purchase is installed.

The yield of finished canned goods increases from each ton of raw produce. This gives the canner a lower cost of production per case. The pack-out of higher grade canned goods results from graded buying. One of the results of graded buying in canning sections is to raise the flat rate price level for the entire territory, since the attractive prices paid on the graded basis at some canneries must be met by the competitors. Buyers are more anxious to purchase from canneries which are using the

graded system than from canneries purchasing on the flat rate.

Mr. Pailthorp of the Bureau of Agricultural Economics declared that there will be approximately 25 canneries in Indiana using inspection this year; inspection work will be started in Colorado with 2 canneries; Utah 1, perhaps 2; New York 3; Delaware 3, and New Jersey 1.

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#### FARM LABOR SUPPLY AMPLE

Agriculture enters the spring season with a farm labor supply slightly in excess of the demand in all parts of the country, reports the Bureau of Agricultural Economics. Farm wages also are reported at a fraction higher than on April 1 for three years past.

The index of the general level of farm wages on April 1 is placed at 167 per cent of the pre-war level on that date, compared with 166 on April 1 for the past three years.

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#### SMALL STOCKS OF EGGS IN COLD STORAGE.

A supply of case eggs in cold storage April 1 approximately one-half the usual holdings on that date features the April cold storage report of the Bureau of Agricultural Economics. Stocks of apples in barrels and bushel baskets, American cheese, and lard were heavier than on April 1 a year ago, but decreases are reported for creamery butter, boxed apples, meats, and poultry.

Stocks of case eggs are reported at 550,000 cases on April 1, compared with 1,087,000 cases on April 1 last year, and a five-year average of 1,129,000 cases on that date.

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#### ARIZONA HAS STANDARDIZATION LAW

Arizona's first fruit and vegetable standardization act, passed by the recent Arizona legislature, went into effect last month. The law provides State inspection, minimum grades and uniform methods of packing. Optional Federal inspection service is being maintained in addition to State inspection provided under the Act.

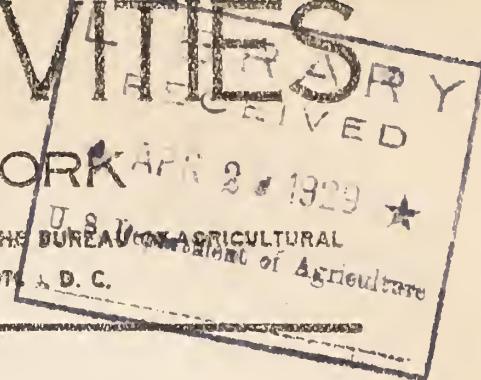
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"The Extent of Various Methods of Harvesting Corn in Ohio, Michigan, and Indiana, in 1927," has been issued in multigraph by the Bureau of Agricultural Economics.

"The Economic Aspects of Forest Destruction in Northern Michigan" has been issued as Technical Bulletin 92 by the U. S. Department of Agriculture.

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**MARKETING ACTIVITIES****AND OTHER ECONOMIC WORK**

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



April 24, 1929

Vol. 9, No. 17

CANNING INDUSTRY  
MOVING WESTWARD.

The canning of fresh fruits and vegetables in New Jersey is declining, the total pack last year being 1,668,001 units less than in 1927, according to the New Jersey State Department of Agriculture. The fact that many New Jersey farmers find it more profitable to send their products to the many markets available in New York and Philadelphia and along the Coast, than to sell to canneries, is given as an important reason for the decrease. The survey made by the New Jersey Department of Agriculture shows that although the acreage of tomatoes for manufacture will likely show a slight decrease this year, the total tomato acreage will be increased.

Canners give as a reason for the decrease the fact that the canning industry is moving from the eastern part of the United States to the west, where raw produce and labor are cheaper. They declare that these economies, despite the higher cost of transportation, enable western canners to compete successfully with eastern canners.

The importation of Italian canned tomatoes is reported to be an additional factor in the canning situation, it being pointed out that the large population of Italian origin along the Atlantic States prefers Italian tomatoes to the domestic product. Of 50 enterprises listed in New Jersey in the 1927 "Canners' Directory", 19 were not canning or were out of business in 1928. The survey revealed that from 16,000 to 20,000 barrels of cranberries were canned during the 1928 season.

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THREE STATES SURVEY  
WOOL PRODUCTION COSTS.

A joint study of wool production costs is being made by Extension Services in Ohio, Pennsylvania, and West Virginia, following a recent meeting of the Tri-State Sheep and Wool Growers' Association which asked economists and extension workers to assist in obtaining information to serve as a basis for study of the wool producing industry. Sheep growers are being asked to keep records on the cost of handling flocks.

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COTTON STANDARDS REVISED.

Revised standards for American Egyptian cotton and for Upland cotton of Extra White color have been announced by the Bureau of Agricultural Economics, the revised standards to become effective August 1, 1930. The Extra White standards apply in the grade classification of Upland cotton, wherever grown. The Upland cottons, employing the term Upland in its accepted botanical sense, include all of the American commercial production of cotton ex-

cept the American Egyptian and Sea Island types. As re promulgated, the Extra White standards conform with the white grades in leaf and preparation and exemplify primarily the color differences.

A need for the new standards for American Egyptian cotton was found to exist since changes in the color and preparation of the American Egyptian crop during recent years have been such that the present standards were no longer representative of American Egyptian cotton as now produced.

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PRODUCE AGENCY ACT  
FEATURES ARE OUTLINED.

More or less general misunderstanding of the provisions of the Produce Agency Act has caused the Bureau of Agricultural Economics, which administers this Federal legislation, to publish the following brief summary of the features of the Act:

The chief purpose of the law is to protect growers and shippers against fraudulent accounting on consignments of perishable farm products received in interstate commerce. Persons affected by the law include commission merchants and any others who receive perishable farm products in interstate commerce for or on behalf of another. The act relates to fruits, vegetables, melons, dairy and poultry products, or any other perishable farm product.

Transactions by dealers which are not covered by the law include purchases of produce (not consignments); consignments not in interstate commerce; strictly brokerage transactions; joint accounts; cooperative associations except on produce handled for non-members; disposal of rejected produce by railroads, except as to accounting, and non-perishable farm products, such as grain, cotton, livestock, etc.

The Act prohibits dumping or destroying of produce, received in interstate commerce for or on behalf of another, without good and sufficient cause; making any false statement to the shipper, knowingly and with intent to defraud, concerning the handling, condition, quantity, quality, sale or disposition of the produce, and failure, knowingly and with intent to defraud, to account truly and correctly for the produce.

The penalty for violation of any provision of the Act is a fine of not less than \$100 and not more than \$3,000, or imprisonment for a period of not exceeding one year, or both. Shippers who believe they have been defrauded in the handling of their consignments may file a complaint with the Bureau of Agricultural Economics, Washington, D.C.

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SCORES UNWISE EXPANSION  
OF TRUCK-CROP ACREAGES

Unwise expansion of truck-crop acreages, aggravated by "wild cat" plantings of promotion agencies, is responsible for the most serious over-production problems of the fruit and vegetable industry, according to A. W.

McKay, cooperative marketing specialist, Bureau of Agricultural Economics. Acreage increases in lettuce and strawberries are cited as examples of unwise expansion. Last year, more than 16,000 carloads of California grapes were left on the vines. Many thousands of acres of potatoes were not harvested because prices did not justify the expense of digging and shipping the crop.

Mr. McKay urges the organization of strong cooperative associations by growers, and inter-regional cooperation among these groups, to prevent "unwise expansion and to discourage promotional schemes which in many sections have resulted in large plantings of fruit and vegetable crops and long periods of low prices."

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POTATO GROWERS MUST  
MAKE HIGH YIELDS.

Farmers must raise more than 200 bushels of potatoes to the acre this year in order to make a profit from commercial potato growing, declares E. B. Tussing, extension specialist, Ohio State University.

"The average cost of producing an acre of potatoes will run somewhere near \$150, including grading and marketing," Mr. Tussing says. "When there are prospects of a large crop and a low price, as there are prospects this spring, high acre-yields are the only salvation of the commercial potato grower. If he isn't prepared to do better than 200 bushels to the acre, he'd better stay out of the field entirely."

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NEW FOREST ECONOMICS  
STUDY TO BE MADE.

Three new research projects, authorized by Congress, in forest economics are to be launched July 1 by the United States Forest Service. They include a comprehensive survey of the nation's forest resources and requirements; a study of the financial aspects of private forestry practice, and an investigation of forest insurance.

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DAIRY INDUSTRY SURVEY  
RESULTS ARE PUBLISHED.

The results of a statistical survey of the dairy industry have just been published by the United States Department of Agriculture in Statistical Bulletin No. 25-S, entitled "Dairy Statistics". The figures deal with numbers of dairy animals, production, consumption, prices, imports, exports, stocks and other factors relating to butter, cheese, milk, and other dairy products for the year ended December 31, 1926 with comparable data for earlier years.

IN CONGRESS:

The 71st Congress opened in extra session on Monday, April 15. Among the bills which have been introduced to date, of interest to this bureau, are the following:

H.R. 1, by Mr. Haugen, to establish a Federal farm board to promote the effective merchandising of agricultural commodities in interstate and foreign commerce and to place agriculture on a basis of economic equality with other industries, was reported out of committee (Rept. No. 1). Bills for somewhat similar purposes were introduced as follows: S. No. 1, by Senator McNary; H.R. 78 and H.R. 79, by Mr. Lankford; H.R. 190 by Mr. Cannon; H.R. 237, by Mr. Sinclair and H.R. 1227, by Mr. Hare.

H.R. 2, by Mr. Summers, of Washington, to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce. A bill, S. 108, for similar purpose, was introduced by Senator Borah.

H.Con. Res. 3, by Mr. Sinclair, to appoint a joint commission to investigate the subject of crop insurance.

H.R. 7, by Mr. Haugen, to amend sections 4, 6, 8, 9, 10, 11, 12, 25, 29, and 30 of the U.S. Warehouse Act, approved Aug. 11, 1916, as amended.

H.R. 236, by Mr. Sinclair, authorizing and directing the President of the U. S. to appoint a commission to investigate and report to Congress a general system for the cooperative marketing of all products.

S. 257, by Senator Jones, to establish a revolving fund for loans to a cooperative association for the production of fertilizer.

S. 101, by Senator Walsh, of Montana, to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage, and for acquiring and disseminating information relative to protein in wheat. H.R. 242, by Mr. Sinclair, and H.R. 186, by Mr. Burtress, for similar purposes were introduced also.

S.J. Res. 14, by Senator Capper, directing the Interstate Commerce Commission to take action relative to adjustment of freight rates upon export grain and grain products moved by common carriers subject to the interstate commerce act, and the fixing of rates and charges.

H.R. 241, by Mr. Sinclair, to promote and encourage agriculture by divesting grains of their interstate character in certain cases.

H.R. 240, by Mr. Sinclair, to amend the U. S. Grain Standards Act. H.R. 193, by Mr. Dickinson, to amend the Grain Futures Act.

H.R. 196. By Mr. Fulmer, to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton.

H.R. 192. by Mr. Cross, to provide for the stabilization of the price of cotton by taking the surplus or a sufficient portion thereof off the market during the years of overproduction and placing it back on the market during the years of underproduction.

H.R. 198, by Mr. Fulmer, to regulate shipments of cotton.

H.R. 215, by Mr. Vinson, of Ga., for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton futures exchanges. H.R. 191 for a similar purpose, was introduced by Mr. Cross.

H.R. 1202, by Mr. Sirovich, to provide for the inspection of chickens, ducks, geese, pigeons, and turkeys. H.R. 146, for a similar purpose, was introduced by Mr. Lea of California.

H.R. 197, by Mr. Fulmer, to provide for research work in connection with the utilization of agricultural products other than forest products. Mr. Dickinson introduced a bill, H.R. 194, for similar purposes.

H.R. 28, by Mr. Buchanan, to authorize the Secretary of Agriculture to make surveys of representative farm areas each year in each State for the purpose of obtaining and publishing information upon the economic conditions of agriculture throughout the United States.

H.R. 6, by Mr. Haugen, to amend the definition of oleomargarine contained in the act entitled "An act defining butter; also imposing a tax upon and regulating the manufacture, sale, importation and exportation of oleomargarine."\*\* H.R. 160, for somewhat similar purposes was introduced by Mr. Linthicum.

S. 47. by Senator Harris, to prohibit predictions with respect to cotton prices in any governmental report, bulletin, or other publication.

H.J.Res.19, by Mr. Sinclair, authorizing the President to call an international conference of representatives of agricultural and farmers' organizations.

H.R. 5. by Mr. Fenn, to provide for the 15th and subsequent decennial censuses. S. 2, for similar purposes, was introduced by Senator Jones.

S. 15. by Senator Dale, to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service.'" H.R. 104, which is similar in purpose, was introduced by Mr. Kelly.

S. 215. by Senator Brookhart, to amend section 15 of the act of March 4, 1923, entitled "An act to provide for the classification of civilian positions within the District of Columbia and in the field service, as amended by the act of May 28, 1928." S. 216 by the same author, is somewhat similar in purpose.

THE TERM "BEST STOCK" HELD TO APPLY TO QUALITY  
AS WELL AS TO GRADING OF BERRIES

Willson v. Vlahos

Supreme Judicial Court, Mass., March 1929 (165 N.E.408)

This is an action of contract to recover purchase price of a carload of strawberries.

The berries were sold by plaintiff to defendant upon a telegraphic order sent to plaintiff at Van Buren, Arkansas, specifying berries of "best stock". The defendant contended that plaintiff warranted that the berries were of best stock and that he impliedly warranted that they were in proper condition to stand shipment from Van Buren to Lowell, Massachusetts, and to be in marketable condition for resale at Lowell, but that there was a breach of these warranties by the plaintiff, who refused to reclaim the berries after notice from defendant.

The berries were delivered to the American Railway Express, f.o.b. Van Buren, for shipment to defendant at Lowell. The findings of the Court were that the price charged was fair; that the car was not delayed in transit and that the condition of the berries on their arrival in Lowell was not due to the fault of the carrier; also, that as the contract was made in Arkansas, it was governed respecting its interpretation by the law of that State; and that the Uniform Sales Act was not in force in Arkansas at the time of the sale.

The question for determination is whether, in view of the terms of the contract, there was an express warranty, and, if so, whether there was a breach for which the defendant was liable. The trial judge ruled that the express warranty as to "best stock" related only to the grading of the berries and that there was no breach thereof. However, the defendant contended that the warranty is not limited to the grading of the berries, but covers also their quality. An expert testified at the trial that strawberries which have suffered preshipment injury, either mechanical or from overheating, do not come in the trade within the description of "best stock". The Judge here did not agree with the ruling of the trial court and held that "best stock" should have been considered as relating not only to grading but to quality, as the word "best" used in its commonly accepted meaning implies good quality in the highest degree.

It appears that a large percentage of the berries were soft, mouldy, and unfit for human consumption, and on appeal the court held that in view of this fact, the defendant's exception to the ruling that the warranty related solely to the grading of the berries should have been sustained. Furthermore, it was held that as the berries had suffered from pre-shipment injury due to overheating, there was a breach of the express warranty that they would be best stock. Accordingly, judgment was ordered for the defendant.

# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

May 1, 1929

Vol. 9, No. 18.

## INCREASE IN ECONOMICS EXTENSION IS URGED.

Greater activity devoted to the economic phases of cooperative extension work, including cooperative marketing, is urged by C. B. Smith, chief, Office of Cooperative Extension Work, U. S. Department of Agriculture. He emphasizes the importance of extension marketing men helping to get outlook material and other economic information prepared by the Federal department and many States into the hands of members of cooperative organizations.

"While much may be accomplished in the economic field by county agents working alone," Dr. Smith says, "the cooperative extension service will not be meeting the situation unless it gives them the substantial help and backing of a strong economics department and a sufficient number of marketing extension specialists to do the teaching work required."

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## PENNSYLVANIA GRAPE GROWERS SECURE MARKETING LAW.

The first Pennsylvania law making it compulsory to designate the grade of an agricultural products was secured by Pennsylvania grape growers when Governor Fisher signed the bill which will require the marking of all closed packages of grapes in conformance with the United States grape grades, the Pennsylvania Department of Agriculture has announced.

The bill also provides that grapes not conforming to the United States Standards, which have been adopted as the official grades in Pennsylvania by the Bureau of Markets, may be stamped on the covers of the packages as "Unclassified". A similar bill was passed by the legislature of New York State prior to the 1928 grape season.

Laws similar to the new Pennsylvania law have been used for various agricultural products in nearby states including New York, Virginia and New Jersey, says the Pennsylvania Bureau of Markets.

## CALIFORNIA FRUIT CROP VALUES TO BE SUSTAINED.

While the damage to California deciduous fruits as a result of April frosts was at first reported to be disastrous, and estimates were published putting the loss in value at 50 per cent, the revenue from this year's yield will be as large, or even larger than that of last season's production, declares Professor B. H. Crocheron, Director of Agricultural Extension at the University of California. He says that while the tonnage will be smaller

this year, prices will be higher, and the farm value of the crop is likely therefore to be greater. The real seriousness of the situation, however, is that many growers have lost either their entire crop or such a large proportion that the higher prices which may be expected to prevail will be of little benefit to them.

"Many farmers who have lost their entire crop face the situation with exhausted credit," Professor Crocheron says. "The expansion in deciduous fruit acreage was made at a time of high land values. The crop came into bearing in years of low prices which in many instances have brought less than cost of production. To such farmers, the higher prices that may prevail as a result of the freeze will not be of help should their crops be largely or entirely lost. Many will have to depend upon extended credit from banks if they are to be tided over the crisis."

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#### IOWA REPORTS PROGRESS OF ECONOMICS AND FARM MANAGEMENT RESEARCH.

The progress of farm tenancy studies in Iowa, farm income research, cost of production studies, livestock shipping associations, and poultry marketing is reported by the Iowa Agricultural Experiment Station in its annual report for the fiscal year ending June 30, 1928.

The conclusion reached in the farm tenancy study was that the grain-share lease used in Palo Alto County, which is representative of the so-called cash-grain farming of Iowa, is a detriment to livestock farming because there is considerable pressure by grain-share landlords insisting on a maximum acreage of higher yielding grain crops such as corn and oats, and a minimum of forage crops such as hay and pasture.

The poultry marketing investigation revealed that while dealers have increased their buying on the basis of grades, their practices have varied greatly. A few have put a relatively rigid system of grades into effect and succeeded with it. A larger number have apparently found that strict grading is impractical and have either adopted a relatively simple grading system or have given up entirely their efforts at buying on a quality basis. In most cases those buying on the basis of grades have paid farmers a higher average price per dozen than those buying at a flat price.

Projects now under way in Iowa include an economic investigation of the marketing of Iowa livestock; economic investigation of the grain trade of Iowa; a study of agricultural land problems; cost of production studies; type of farming studies; investigation of agricultural credit; rural population studies, and an economic study of the marketing of Iowa poultry and eggs. Copies of the full report may be obtained from the Iowa State College of Agriculture, Ames, Iowa.

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Dr. C. A. Browne, assistant chief, Bureau of Chemistry, Department of Agriculture, is to make a year's survey of the application of chemistry to agriculture in England and ten other countries. He sails for England May 2.

FARM WORK DELAYED;  
LIVESTOCK SITUATION GOOD.

Farm work delayed by bad weather in northern areas, an early season in the South, and a continued generally favorable livestock situation are reported by the Bureau of Agricultural Economics in its May 1 statement on the farm situation.

The spring program has been slowed down considerably by the wintry weather of last month, although one favorable result, says the bureau, has been the storing of a good supply of moisture in the soil, especially in the western wheat belt. Cotton planting is moving toward completion in the northern part of the belt, while farther south the plant is making rapid growth.

Corn and potato plantings are reported to be progressing northward wherever the land has been dry enough to be worked. After many delays, most of the small grain is in the ground now and is making a fairly promising start. Pastures started early this spring and livestock has been turned out to grass quite generally in the North and East. Heavy growth and good color of winter wheat are reported, with the general opinion that the percentage of winterkilled will be somewhat below the ten-year average, which is about 12 per cent.

Fruits have gotten off to a bad start this season, the April frosts having cut California peaches, cherries, plums, prunes, almonds, raisin grapes, and pears from one-fourth to one-half below last year's heavy crops. The Pacific Coast losses in fruits and vegetables, together with local damage in the East, are expected to affect the entire produce situation to some extent, although southern vegetable supplies are heavier and earlier than last spring. New crop shipments in March and April were about 25 per cent larger than during the same months last year.

A development of unknown possibilities now appears with the discovery of the Mediterranean fruit fly in Florida. Unless this pest can be stopped at once, it represents perhaps the most serious menace ever faced by our important fruit and vegetable industries.

The livestock situation continues generally favorable for producers, the bureau says. Cattlemen in the West had a long, hard winter, but the ranges are showing grass once more and the cattle market braced up last month in marked contrast to the winter's weakness. Prices of stocker and feeder cattle and low-grade slaughter cattle are reported to be near the highest levels on record.

The lamb market continues at a high level, promising the second-highest average price for fed lambs since the World War. But the wool market has been weak recently and growers are disturbed at the failure of buyers to offer advance contracts for this season's clip. The market supply of hogs since February 1 has been much smaller than last year's supply and prices are much higher. Corn prices have declined lately, so that the corn-hog ratio is now favorable to feeders.

PRODUCE AGENCY CASE  
WON BY GOVERNMENT

Restitution to shippers by produce dealers following the discovery of fraud under the produce agency act was held recently by Judge R. R. Nevin in the Federal District Court of Cincinnati as not operating to relieve offenders from prosecution and punishment under the Act.

The case was that of a produce company which reported to the shipper that the net proceeds of a car, less freight, commission, etc. were an amount that subsequent investigation by the Bureau of Agricultural Economics disclosed to be considerably less than the actual proceeds. When confronted with the results of this investigation the produce company made full restitution to the shipper, but the evidence of fraud was so conclusive that the department submitted the case with the supporting documents to the Department of Justice for prosecution.

The presentment of the United States District Attorney charged that the defendant, knowingly and with intent to defraud, made false statements to the shipper both as to the amount of the freight charges and as to the proceeds of the sale. The defendant plead guilty to a charge of violating the produce agency act and was sentenced April 15 to pay a fine of \$100 for a first offense.

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CONTINUED PROSPERITY SEEN FOR  
DAIRYMEN AND POULTRYMEN.

The following excerpts are from a national radio broadcast by Dr. W. J. Spillman, Bureau of Agricultural Economics, on March 21:

"Accurate adjustment between production and demand for dairy and poultry products is likely to continue.\*\*\*\*\*We therefore appear to be justified in expecting the continuance of a fair degree of prosperity for dairymen and poultrymen.

"\*\*\*\*\*Foreign demand for pork products is now picking up again and prices are beginning to rise. We are approaching the low point in number of hogs. Hence prices should be as good early next year as this, possibly a little better. More pigs will probably be produced next spring than this, so that hog prices may be lower in the Fall of 1930 than they are likely to be this Fall.

"\*\*\*\*\*We are now approaching the high point in beef prices. We are also beginning a rapid increase in the size of our herds. If this keeps up we shall in a very few years, possibly in one or two years, have too many beef cattle, and then prices will begin to tumble.\*\*\*\*If, at the right time, we should stop increasing our herds and send to market some of the young cows ordinarily used in increasing herds, there would be a drop in prices, but the drop would not be so disastrous as it is sure to be a few years later if we go on building up our herds at the present rate.

"\*\*\*\*\*There is still room for some increase in numbers of sheep, but\*\*\*\* we can not safely keep up our present rate of increase for many years more.

IN CONGRESS:

H. R. 1. by Mr. Haugen, to establish a Federal farm board to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, and to place agriculture on a basis of economic equality with other industries, has passed the House with amendments.

S. 1. by Senator McNary, to establish a Federal farm board\*\*\* was reported out of Committee (Rept. No. 3).

S. 312, by Senators Jones and Vandenberg, to provide for the fifteenth and subsequent decennial censuses, has been reported out of the Committee (Rept. No. 1).

Bills Introduced:

H. R. 1914, by Mr. Howard, to promote the orderly marketing of farm products through the construction and operation of Federal warehouses for the reception and storage of farm products.

S. 368, by Senator Caraway, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce.

H. R. 2033, by Mr. Hudspeth, to prevent gambling in cotton futures and make it unlawful for any person, corporation, or association of persons to sell any contracts for future delivery of any cotton within the United States, unless such seller is actually the legitimate owner of the cotton so contracted for future delivery at the time said sale or contract of sale is made.

S. 470, by Senator Connally, for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton futures exchanges.

S. 369. by Senator Caraway, to prevent the sale of cotton and grain in future markets.

H. R. 2125, by Mr. Evans, of Montana, to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage, and for acquiring and disseminating information relative to protein in wheat.

H. R. 2015. by Mr. Cross, to provide for research work in connection with the industrial utilization of waste products from the land. A bill, S. 561, for somewhat similar purposes, was introduced by Senator Schall.

S. 560. by Senator Schall, to amend the definition of oleomargarine contained in the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation and exportation of oleomargarine."

S. 412, by Senator Simmons, to authorize the creation of organized rural communities to demonstrate the benefits of planned settlement and supervised development. A bill, H.R.2014, by Mr. Bankhead, is for somewhat similar purposes.

H. R. 1646. by Mr. Welch, of California, to amend a section of the act entitled "An act for the retirement of employees in the classified civil service. H.R. 1931, by Mr. Smith of Idaho, H.R. 2023, by Mr. Goldsborough, and H. R. 1815, by Mr. Lehlbach are for similar purposes.

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#### RECENT PUBLICATIONS

"An Economic Study of the Hog Enterprise in Humboldt County," Bulletin 255; "Local Cooperative Livestock Marketing Associations in Iowa Since 1920", Bulletin 254, and "Types of Farming in Iowa", Bulletin 256, issued by the Iowa State College of Agriculture, Ames, Iowa.

#### Bureau of Agricultural Economics Mimeographs.

"United States Agricultural Trade with the Philippines"

"Marketing Georgia Peaches, Summary 1928 Season."

"Marketing North Carolina Peaches, Summary of 1928 Season."

"Strawberries in 1929."

"Marketing Eastern Shore Potatoes, Summary of 1928 Season."

"Estimated Numbers of Apple Trees by Varieties and Ages in Commercial and Farm Orchards in New York, January 1, 1928."

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"Pooling as Practiced by Cooperative Marketing Associations," has been issued as Miscellaneous Publication 14. by the United States Department of Agriculture. This bulletin discusses the advantages of group effort facilitated by pooling, improvement of bargaining position of individual growers, elimination of waste, spreading marketing risks among all members, possibility of market expansion, pooling marketing expenses, and pooling sales returns on the basis of quality, length of pooling period, and area to be included in a pool.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



May 8, 1929

Vol. 9, No. 19

CONTAINERS FOR FARM PRODUCE  
NEED TO BE SIMPLIFIED.

Expansion of the farm-produce container industry to keep pace with the increasing fruit and vegetable business in recent years has produced a multiplicity of crates and boxes that in many instances amounts to confusion, reports the Bureau of Agricultural Economics.

More than one billion containers are required to package the approximately one million carloads of fruits and vegetables shipped annually in the United States. Containers in use for shipping a given commodity vary widely in different sections of the country. For the same kind of vegetable one section may use a basket, another a crate, a third a barrel, and a fourth a sack. In a New England city spinach was found on the market in lettuce crates, egg cases, orange boxes, and hampers.

Many of the variations in fruit and vegetable containers will always exist, says the bureau, because different types of commodities require different types of containers and because manufacturers in different sections of the country can readily supply certain types of containers and can not supply other types. However, there is possibility of simplification in many lines, such as a uniform length for apple-box shook; the use of 1 and 2 dozen size crates for bunched asparagus, and a reduction in number of grape containers.

A complete report on the subject of produce containers, together with recommendations for simplification, have been published in Farmers' Bulletin 1579-F, entitled "Containers Used in Shipping Fruits and Vegetables."

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POTATO INSTITUTE WOULD  
STANDARDIZE POTATO BAG SIZES.

Standardization of potato packages into 100, 50, 25 and 10 pounds is proposed by the National Potato Institute, which says that the adoption of such a program would meet every possible contingency in the way of demand from consumers, and at the same time avoid the confusion which now exists with reference to pounds, pecks, bushels, packages, barrels, tons and other traditional weights and measures of potatoes.

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EDWIN SMITH has resigned as foreign agricultural commissioner of the Bureau of Agricultural Economics, to become vice-president of a Northwest apple export company with headquarters at Seattle, Washington, effective June 30. Appointment of Mr. Smith's successor will be announced at a later date.

FARM PRODUCTION MAP  
UNDERGOING CHANGE.

Eastern farming sections are staging a "come-back" in fruit and vegetable production, says Wells A. Sherman, Bureau of Agricultural Economics. "Improved local transportation, improved seed, better fertilizers, and better methods of disease control," he says, "are increasing potato yields in many of the older farming sections where a few years ago it was believed that potatoes could not be grown profitably in competition with the new lands of the Lake States and beyond.

"Producers of fruits and vegetables who are hundreds or thousands of miles from the large markets must realize," he declares, "the change which is gradually coming over eastern agriculture by the building of good roads and the general use of the motor truck. The hard-surfaced road and the motor vehicle have brought almost every acre east of the Mississippi into actual or potential competition, a situation which will make it increasingly difficult for territories such as the Red River Valley to expand their markets for potatoes in the East except at relatively low prices."

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LESS THAN EGG A DAY  
CONSUMED BY EACH PERSON

Average egg consumption per person in six cities in Pennsylvania was found to be 28.71 dozens annually, or slightly less than an egg a day, in a survey made by Professor F.F. Lininger, Agricultural Economics Department, Pennsylvania State College.

Pittsburgh, Erie, York, Williamsport, Pottsville, and Uniontown were the cities studied. Consumption of eggs per capita is highest in Pottsville and lowest in Pittsburgh. The figures are: Pottsville, 32.4 dozens annually; Pittsburgh, 26.95 dozens; Erie, 30.21 dozens; York, 29.88; Williamsport, 29.31, and Uniontown, 29.91.

The survey showed that negroes eat more eggs than do white people. Many anthracite coal miners eat five to six eggs at a meal. Color of eggs is not an important requirement of consumers in the cities surveyed, except in York, where 53 per cent of those interviewed said they prefer brown eggs; 32 per cent are satisfied with either color, and only 15 per cent prefer white eggs.

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THE FARM PRICE INDEX of the Bureau of Agricultural Economics was 138 per cent of the prewar level on April 15, or two points below March 15, and 2 points below April 15 a year ago. The decline from March 15 to April 15 was the result of a general decline in farm prices of all crops, livestock products, eggs, calves and wool, which was only partly offset by increases in prices of hogs, beef cattle, sheep, lambs, horses and chickens.

FRUIT FLY MAY NOT  
REDUCE FLORIDA SHIPMENTS.

No drastic reductions in shipments of Florida fruits and vegetables are expected to result from the quarantines on account of the Mediterranean fruit fly. Although the quarantines and regulations bring under restriction the State of Florida as a whole, as to all fruits and a limited number of vegetables which are also attacked by the fly, nevertheless, says the Department of Agriculture, "under these restrictions most of the fruit of Florida and practically all of the vegetables will be permitted to move out of the State under what are believed to be adequate safeguards."

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GOOD LAMB MARKET  
PROSPECTS ARE SEEN.

If market supplies of lambs from this year's crop is no larger than last year, present conditions point to a level of lamb prices about the same as in the past year, according to C. V. Whalin, Bureau of Agricultural Economics, in a nation-wide radio broadcast April 30.

Mr. Whalin points out, however, that if a larger proportion of the crop is marketed for slaughter and a smaller proportion is retained for flock replacement and expansion, the price level may be lower.

"Because of the profitable season just ending," he declared, "and the possibilities of a smaller supply of feeding lambs being available, western lamb feeders have been active in making contracts for feeding lambs for delivery next fall. Contracts already made are larger than at this date in several years, and prices are above those of last year.

"Whether or not the 1929 lamb crop will be larger than that of 1928, depends on whether the increased number of breeding ewes in the Western states was large enough to offset the probable decrease in the percentage of lambs saved. The general opinion is that for this area as a whole, there will be a considerable decrease from last year in the number of lambs saved per 100 ewes."

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COOPERATIVE LIVESTOCK MARKETING  
HAS LONG HISTORICAL BACKGROUND.

Although records of cooperative livestock marketing date back more than 100 years, it was not until after the turn of the twentieth century, says the Bureau of Agricultural Economics, that the cooperative marketing of livestock began to assume a place of real importance in the Nation's livestock industry. By the year 1920, there were approximately 1,000 such associations, and on January 1, 1929, there were 2,017 associations listed by the bureau. It is estimated that the livestock cooperatives now handle the business of 500,000 shippers, and do an annual business of approximately \$500,000,000.

"Beginnings of Cooperative Livestock Marketing" by Chastina Gardner, Division of Cooperative Marketing, has been issued in mimeograph by the bureau.

IN CONGRESS:

H. R. 2152, by Mr. Ketcham, to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, has been reported out of Committee (Rept. No.5)

H. R. 7, by Mr. Haugen, to amend sections 6, 8, 9, 10, 11, 12, 25, 29 and 30 of the United States Warehouse Act, has been reported out of Committee (Rept. No. 4).

H. R. 6, by Mr. Haugen, to amend the definition of oleomargarine contained in the act entitled "An act defining butter; also imposing a tax upon and regulating the manufacture, sale, importation and exportation of oleomargarine" has been reported out of Committee (Rept. No. 3).

S. 108, by Senator Borah, to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce, has been reported out of Committee (Rept. No. 6).

Bills Introduced:

S. 909, by Senator Smith, to amend the United States Cotton Futures Act, approved August 11, 1916, as amended, by providing for the delivery of cotton tendered on futures contracts at certain designated spot-cotton markets, by defining and prohibiting manipulations, by providing for the designation of cotton futures exchanges. H. R. 2399, by Mr. Rankin, is for similar purposes.

S. 914, by Senator Ransdell, to standardize bales of cotton and requiring sale of cotton by true net weight of bale.

H. R. 2160, by Mr. Leavitt, to provide for producers and others the benefits of official tests to determine the protein in wheat for use in merchandising the same to the best advantage and for acquiring and disseminating information relative to protein in wheat.

H. R. 2527, by Mr. Goodwin, authorizing an appropriation to encourage the utilization of farm waste for the production of paper by aiding farmers and local chambers of commerce to develop the manufacturing of paper pulp from waste crops.

S. 814, by Senator McKellar, to authorize the creation of organized rural communities to demonstrate methods of reclamation and benefits of planned rural development. S. 878, by Senator Capper, is for similar purposes.

S. 763, by Senator McKellar, to amend the act entitled "An act for the retirement of employees in the classified civil service." H.R. 2159, by Mr. LaGuardia, is for similar purposes.

RAILROAD NOT LIABLE UNTIL SHIPMENT IS ACCEPTED

Gulf, C. & S. F. Ry. Co. v. Terrell Bros.  
Court of Civil Appeals of Texas, Jany. 1929 (14 S.W.903)

Suit by Terrell Bros. to recover damage for \$762.45, value of eight bales of cotton which plaintiffs alleged was destroyed by fire after having been accepted by defendant for transportation as carrier. Defendant denied generally and pleaded specially to show that at time cotton was destroyed it had not been accepted by it for transportation and that it had not been tendered for transportation; that shipping instructions had not been received and that the relation of defendant as carrier had not begun.

The essential facts submitted to the court were that plaintiffs' place of business was at Allenfarm, Texas, a non-agency station on the line of defendant railway without an agent, but that it was the practice when shipments of cotton were desired to be made for shipper to flag local freight train and advise conductor and that cars then would be placed for the cotton to be taken out on the next train; that shipper upon loading the cotton for such delivery would make out bill of lading and retain it until the next local train passed through Allenfarm, at which time conductor would seal car, sign bill of lading and take along on his train the cotton loaded in the car or cars; that according to such custom plaintiffs flagged a train, had cars placed, loaded the cotton, placing it in the cars late in the afternoon and preparing bill of lading to cover shipment; that early in the morning of the next day a fire occurred, completely destroying the cotton loaded in such cars. It appears that on several occasions the defendant railway had refused to issue to plaintiffs bills of lading on their shipments prior to the time cotton was picked up by the train and that plaintiffs were aware of this fact.

The railway bill of lading contains the following clause:

"Property destined to or taken from a station, wharf or landing at which there is no regularly appointed freight agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and except in case of carrier's negligence, when received from or delivered to such stations, wharves, or landings shall be at owner's risk until the cars are attached to and after they are detached from locomotive or train or until loaded into and after unloaded from vessels."

Upon facts submitted, judgment was rendered in favor of plaintiffs, from which judgment defendant railway has appealed. The judgment was reversed upon railway's contention that before its liability begins, there must be complete delivery to it of a shipment for transportation and that if the shipper must perform some service or do some act to effect complete possession and control to the carrier, the liability of the carrier does not attach. The following excerpts are from the opinion:

"Until shipping directions are given to the carrier, no complete delivery for immediate shipment is made, and in such case the carrier has not become an insurer of such shipment. . . Under the facts shown, we cannot agree with appellees that they had given appellant shipping instructions. We have examined the authorities cited by appellees, and we find that in all of them the carrier had either accepted the shipment after shipping instructions had been received by them, or was under the law bound to accept same for shipment. But in no case has it been held that the carrier had accepted the shipment for immediate transportation, and became an insurer, when shipping instructions had not in some manner been given. The cotton was placed in the car three days before the car was to be taken by appellant, without any notice to appellant that it was so placed, and it was destroyed two days before appellant was to place the car in its train for transportation."

Judgment reversed.

-H.F.Fitts

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RECENT MIMEOGRAPHS issued by the Bureau of Agricultural Economics include: "The Perquisites and Wages of Hired Farm Hands", and "Applications of a Simplified Method of Graphic Curvilinear Correlation."

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POOLING PRACTICES DEFINED  
BY BUREAU ECONOMIST.

There has been a tendency to group cooperative associations according to whether they pool sales returns of merely operating expenses, declares Chris L. Christensen, Bureau of Agricultural Economics. A definition of pooling, he says, should cover the practice as it concerns not only sales returns, but also operating expenses, marketing, and other business risks, or any combination of these. Pooling is defined by Mr. Christensen as involving (1) the mingling or grouping together under unified action or control of any function of production or marketing, and (2) the determination of the results of such group action and the allocation to each participant in the pool of his share of the sales returns, service, expenses, or risks that may arise therefrom. "Pooling as Practiced by Cooperative Marketing Associations" has just been issued as Miscellaneous Publication No. 14-M, by the United States Department of Agriculture.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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JOURNAL OF AGRICULTURE  
RECEIVED  
★ MAY 2 J 1929  
U. S. Department of Agr.

May 15, 1929

Vol. 9, No. 20.

FEDERAL TOBACCO-GRADING  
SERVICE IS EXPANDED.

The market inspection and grading of tobacco previous to sale, which has been conducted experimentally for two years, will be expanded to include additional markets this year, the Bureau of Agricultural Economics has announced.

Acting in cooperation with the Virginia State Department of Agriculture, grading service has been conducted on an experimental basis at the Lynchburg market. Applications have been received by the bureau for extending the service to other markets. Operations at South Hill, Va., a market for flue-cured tobacco, have already been decided upon, and Farmville, Va., a dark-fired market, is under consideration. Extension of the service into other States is also being given consideration.

Under the market inspection procedure, tobacco delivered to an auction warehouse for sale is examined by a grader licensed by the United States Department of Agriculture to grade tobacco on the basis of U. S. standard grades. The sales ticket is marked to show the grade determined, and this grade is announced by the warehousemen or auctioneer when the tobacco is offered for sale. The average prices by grades are posted at the close of each week.

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RED CLOVER MAY BE INCLUDED  
IN SEED VERIFICATION.

Reinstating red clover in the Seed Verification Service of the Bureau of Agricultural Economics the coming season will be considered at a Chicago conference of dealers now enrolled in the Service, June 26. The conference is scheduled at this time for the convenience of members of the Foreign Seed Association of North America and the American Seed Trade Association who will be in attendance at the conventions of those Associations.

Red clover was dropped from the Service the past season because its continuance did not meet the approval of the seed trade and others under present conditions, but the Hay, Feed and Seed Division of the Bureau of Agricultural Economics has received many requests recently that red clover seed be included. Some of these requests have come from persons who wanted red clover dropped last season.

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UNITED STATES STANDARDS for cannery apples for slicing purposes, and for cannery apples for sauce purposes have been issued by the Bureau of Agricultural Economics.

PENNSYLVANIA REPORTS PROGRESS  
OF MARKETING RESEARCH.

Research in marketing of milk, apples, and potatoes is reported as a major research activity by the Department of Agricultural Economics, Pennsylvania State College.

Studies in milk marketing, declares F. P. Weaver, Department of Agricultural Economics, have been carried on continuously since the summer of 1925, when research funds were made available to that department for the first time. These studies at first took the nature of a cooperative study of the marketing plans in use by the various dairymen's cooperative associations which operate in Pennsylvania, as well as those in a few adjoining states. Results of this study have been published as Experiment Station Bulletin 208.

Data on costs of shipping station operations were then secured through the cooperation of most of the milk distributors in Philadelphia, Pittsburgh, and Scranton, as well as the Dairymen's League and Sheffield Farms operating in the New York market. Data obtained on 52 stations were summarized and studied to determine various standards of efficiency for the operation of stations shipping fluid milk, and the results have been reported in Experiment Station Bulletin 219.

A third phase of the milk marketing studies deals with the problems involved in adjusting milk production to the basic-surplus or Philadelphia marketing plan. This has been published in Experiment Station Bulletin 231. Two additional phases of milk marketing are being studied now; a study of milk hauling costs and their relation to economy in shipping station operations, and an analysis of cow-testing association data to determine the influence of the fat test of milk upon cost of production.

Apple marketing research has been under way the last two years, and was begun as a part of a series of studies dealing with economic problems of the apple industry in the Cumberland-Shenandoah Region of Pennsylvania, Virginia and West Virginia. The results of this work are in manuscript and should be available for distribution in the near future.

A project for the study of potato marketing is in its preliminary stages. The object of this project is to determine the value of grading potatoes to Pennsylvania growers, the value of inspection as measured by increased returns, and the preferences of the trade and of consumers for various types and varieties. The possibilities of direct marketing, as well as the advantages to the grower of various other methods of marketing will also be studied.

During the last year, data have been obtained also on methods used by various cooperative organizations to raise the capital with which to conduct their business. Business methods of the different organizations have been studied to discover any practices which may be related to financial problems. A study of membership problems is now under way.

Copies of the various Extension Bulletins may be obtained from the Department of Agricultural Economics, Pennsylvania State College.

IDAHO UNIVERSITY COOPERATES  
IN MARKET NEWS EXTENSION.

Weekly summaries and reports on production and market trends will be the contribution of the agricultural extension division of the University of Idaho to the proposed market news service for Idaho under the market news extension announced in the April 3 issue of MARKETING ACTIVITIES. Daily distribution of the market news in Idaho will be made by the State Department of Agriculture in cooperation with the Federal Bureau of Agricultural Economics.

A trained economist will be placed at Boise by the Idaho University to do both research and extension work. He will cooperate with State and Federal Department of Agriculture employes in preparing such summaries and report trends as seem advisable in connection with the market news service. The Federal Bureau of Agricultural Economics contributes a leased wire service, and service of a telegraph operator who will assist in decoding material received.

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MANY NEW EUROPEAN CUSTOMERS  
FOR AMERICAN APPLES.

The European apple shortage the past season resulted in making many new customers for American apples, and this will help stimulate demand in future seasons even when European crops are good, declares Edwin Smith, London representative of the Bureau of Agricultural Economics.

The European fruit growing season this year is reported by Mr. Smith as being very late because of prolonged drought. It is expected that blossoming will be held back until after much of the spring frost danger has passed. European markets are now receiving new crop apples from Australia and New Zealand, but the low prices for American apples have been adversely affecting the market for these fresh supplies.

"Many European importers," according to Mr. Smith, "are thinking that their markets were too bountifully supplied with American apples last season and they are trying to make some arrangement whereby in future they may get some idea of how many apples 'the other fellows' are buying so that in the aggregate the markets will not be swamped. It is a splendid thing for our producers and shippers to have the European demand come in as it did last fall and winter, but if the demand is such that it ends in a loss to our European customers, then an unhealthy state exists in the trade."

Mr. Smith sees no probability of reduced English fruit crops as a result of the low temperatures last winter. The temperatures were mostly above zero, and although this caused hardship through freezing exposed water and drain pipes, few, if any, fruit trees were killed. Excepting in isolated spots, Continental weather was not cold enough to do much damage in this respect.

RAPID GROWTH IN MOHAIR  
INDUSTRY IS REPORTED.

Rapid expansion of the Angora goat and mohair industry in the United States in recent years, due largely to the increased domestic demand for mohair clothing and upholstery, is reported by an interdepartmental committee of experts appointed by the United States Departments of Agriculture and Commerce to make a survey of the situation.

It is estimated that more than 3,000,000 Angora goats are now clipped annually in the six leading producing States as compared with 2,346,000 goats clipped in the year 1920. During this period the average weight of mohair fleeces per goat has increased as a result of improved production methods with the result that production of mohair, including kid hair, in the six States is approximately 14,000,000 pounds annually as compared with 8,474,000 pounds in 1920.

The committee emphasizes the need for continued improvement in the quality of goats and fleeces, increased efficiency in production and marketing methods, and the establishment of official United States grades for mohair. The committee concluded that in attempting the development of mohair standards, it is advisable to consider one factor at a time, and diameter of fiber has been selected as the basis for the grades. Tentative sets of the proposed standards have been prepared by the Bureau of Agricultural Economics for submission to producers, manufacturers, and the mohair trade.

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CROP-CONTROL BIBLIOGRAPHY  
WINS LIBRARY AWARD.

A bibliography dealing with Government control of crop production, by Mrs. Annie M. Hannay, library associate, Bureau of Agricultural Economics Library, has been selected as the best of nine bibliographies in agriculture or the natural sciences entered in the biennial contest sponsored by the Eunice Rockwood Oberly Memorial Fund Committee of the American Library Association.

Mrs. Hannay's bibliography, entitled "Control of Production of Agricultural Products by Governments," covers all the essential literature with regard to the attempts by world governments to limit agricultural production. Some instances are given of efforts to limit production by means of price fixing. Copies of the bibliography may be obtained from the Bureau of Agricultural Economics.

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APPOINTMENT of J. H. McClain and J. B. Parker of the Bureau of Dairy Industry as extension specialists in dairying for the Southern and Northeastern States, respectively, is announced by the United States Department of Agriculture. Dairy specialists are to be appointed also for the Central and Western States.

IN CONGRESS:

S. 101, by Senator Walsh, of Montana, to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage, and for acquiring and disseminating information relative to protein in wheat, has been reported out of Committee (Rept. No. 8).

H.R.2667, by Mr. Hawley, to provide revenue to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor\*\*\* has been reported out of Committee (Rept. No. 7).

Bills Introduced:

H.R.2763, by Mr. Reed, of New York, to provide for the fifteenth and subsequent decennial censuses\*\*\*

H.R.2570, by Mr. Brand, of Ohio, to aid in the reduction of taxes on farm lands and to promote elementary education in rural areas of the United States and to cooperate with the States in the promotion of these objects.

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PENNSYLVANIA GROWERS MEET  
OUTSIDE APPLE COMPETITION.

It is becoming increasingly difficult for growers in distant states to market apples in Pennsylvania cities in any but years of a short crop and high prices, says the Pennsylvania Department of Agriculture. "Growers in the Commonwealth and in adjacent states," according to the report, "will continue to furnish an increasing proportion of the total supply needed in Pennsylvania. Increased production in this territory, better marketing practices, such as careful grading and packing, and relatively low transportation costs, are the more important factors which will make this possible."

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INCREASED LIVESTOCK SLAUGHTER  
REPORTED FOR APRIL.

More meat animals of all classes were slaughtered under Federal inspection in April than in April last year or March this year. The figures show 662,382 cattle, 460,297 calves, 1,118,935 sheep and lambs and 3,761,230 hogs slaughtered during the month. Compared with April 1928, this represents increases of 6.3 per cent for cattle, 5.0 per cent for calves, 21.9 per cent for sheep and lambs, and 9.1 per cent for hogs.

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THE APPOINTMENT of R. J. Saville as Associate Professor of Research in Farm Management has been announced by the Louisiana Experiment Station.

RIGHT TO LEGAL POSSESSION CARRIES NO AUTHORITY  
TO INVADE PREMISES AND TAKE POSSESSION BY FORCE

D'Aquila v. Anderson, et al.

Supreme Court of Mississippi, March, 1929 (120 So. 434)

This case involves the seizure from premises of plaintiff of a calf by representatives of the State Livestock Sanitary Board in tick eradication and the dipping and quarantining of it in the custody of the Sheriff who sold it for the amount expended on its feed and care.

It appears that plaintiff had been notified to dip all his cattle but that he failed to do so. The inspector who entered the premises of plaintiff and took away the calf had a commission from the Livestock Sanitary Board authorizing him under the law of 1926 to enter premises to inspect and disinfect livestock and enforce quarantines, including farms, stables, and other premises. Plaintiff claimed the calf was exempt and offered to dip it himself but was not allowed to do so by the officers, who dipped it and assessed a charge of \$8 against him. Chapter 265 of the Laws of 1926 prescribes the procedure when the owner fails to dip his animals, which is that in any tick infested area after five days written notice from a livestock inspector if the owner refuses to dip such animals under proper supervision, the animals shall be dipped, quarantined and placed in the custody of the Sheriff by the livestock inspector and that expenses incident thereto shall constitute a lien upon the animals which may be sold upon failure to pay such expenses.

The Court, in construing Chapter 265 of the Law of 1926, states that methods of seizure are not provided for; that the Act does not authorize inspectors or the Sheriff to enter enclosed premises and seize and take away property of the owner without demand; that if possession is refused upon demand then appropriate legal proceedings, including an opportunity to be heard in some tribunal authorized by law to pass upon the question, should be taken; also, that the constitution prohibits searches and seizures except upon probable cause supported by affidavit; that the State constitution and the Federal constitution provide that no person shall be deprived of property without due process of law; that the legislature could not authorize the Livestock Sanitary Board to do what it could not do itself; and that certainly the Livestock Board could not confer the authority in a mere commission to an officer to enter premises and seize property without conforming to the above provisions of the constitution. Although the officers had a right to replevy the cattle or get possession of them it is certain that before they could take them they must either have the consent of the owner or some legal possession.

In the lower court the judgment was for defendant. Upon this appeal the judgment was reversed, establishing liability with instructions to assess damages.

H. F. Fitts

## MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

May 22, 1929

Vol. 9, No. 21

ILLINOIS SURVEY SHOWS  
SEASONAL DISTRIBUTION OF GRAIN

Seventy per cent of the wheat shipped annually by Illinois elevators goes to market within three months after harvest, the Illinois College of Agriculture has learned in a survey covering the three years, 1923-25 inclusive. In contrast, only 44 per cent of the corn is shipped within the four months after harvest, and only 34 per cent of the oats within three months.

Not all parts of the State shipped the three grains during the same seasons, the study revealed. Elevators in southern Illinois have been shipping their wheat more uniformly than do those in the central and eastern part of the State; shipments of corn from the southern half of the State have been concentrated at harvest time more than in the remainder of the State, and shipments of oats from the northern and eastern sections have been more uniformly distributed throughout the year than from the southern and western sections.

The study also dealt with seasonal changes in grain prices, the effect of storage facilities and of credit on time of shipment, variations in shipments from farmers' elevators and from private elevators, storage capacity of Illinois country elevators, farm storage, and season of purchase compared with season of shipment. Results of the survey are reported in Illinois bulletin 315, entitled "Seasonal Features of Illinois Grain Marketing", copies of which may be obtained from the college, Urbana, Ill.

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IOWA FARMERS ADVISED TO  
MARKET EGGS IN TWO GRADES.

Poultry marketing specialists of Iowa State College are advising Iowa farmers to sell their eggs on the basis of two grades, No. 1 and No. 2. Exterior quality, interior quality and size or weight are the chief grading factors.

No. 1 eggs are clean and sound of shell, must weigh an average of 24 ounces per dozen, the air cell should be 1/4 inch or less in depth, the yolk dimly visible, the white firm and clear, and the germ showing no visible development.

No. 2 eggs are those which do not meet the requirements for No. 1 and are too small, dirty, too large for egg case filler cells, checked, cracked, stale and showing age. Small blood spots throw eggs into the lower grade. Long, slender eggs and short, chubby eggs go in the No. 2's.

"FARM RELIEF" PLAN FOR  
NEW ENGLAND IS OUTLINED.

Cooperation, efficient farm management, and the concentration of effort to the production of crops which can be grown in competition with other sections are emphasized by Connecticut Commissioner of Agriculture S. McLean Buckingham in outlining a "farm relief" plan for New England farmers.

"In working out a farm relief program for New England," Commissioner Buckingham says, "we must concentrate on those products we can still produce in spite of outside competition. These must be produced efficiently, which means more milk per cow, more eggs per hen and bigger crops per acre. Both quantity and quality are important."

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VIRGINIA EGG GRADING  
REPORTED MAKING PROGRESS.

Since the Federal-State service for the purpose of grading eggs was started last July, when four men started work candling eggs in accordance with official standards, 60 carloads of eggs have been graded, reports J. H. Meek, Director, Virginia Division of Markets. This is equivalent to 24,114 cases.

Four additional graders have been licensed, and at present indications are that there will be approximately 100 carloads of eggs graded officially during the first year. Producers have been getting premiums over the old system of selling eggs at one price.

The grades used are Extras, Standards, Trades, Checks and Pullets.

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CONNECTICUT TO INSTALL  
VEGETABLE MARKETING SERVICE.

A cooperative vegetable marketing service under which Connecticut farmers will receive each Monday a digest of market conditions showing what farmers may expect during the ensuing week from both out-of-State and local competition is to be established June 1 by the Connecticut Bureau of Markets.

"Successful marketing of locally grown vegetables," declares Director of Marketing Sidney A. Edwards, "is annually becoming more and more dependent on an accurate knowledge by the grower of intentions to plant, amount of local produce going to market weekly, extent of out-of-State movements of vegetables when these products are being shipped into Connecticut, crop conditions in competing areas and other information."

Cooperative arrangements between growers and the Bureau of Markets are being effected to make this information available. Hartford, New Haven, Bridgeport, and Waterbury markets will be covered in the new service.

ILLINOIS REPORTS ON SURVEY  
OF RURAL-URBAN TRADE AREA.

Six recommendations, tempered with the assurance that no changes are needed in the general type of farming, have been made in a development study just completed for the rural-urban trade area centering in Moline and Rock Island, Illinois, made by the Illinois College of Agriculture cooperating with other agencies.

Although the first recommendation suggests that no radical change be made in the general type of farming in the area, it points out that the production of fruits, vegetables, milk, poultry and eggs should be adjusted so as to more nearly meet local demands.

Other recommendations are:

"That consumer education in regard to desirable food habits and the purchase of foods on the basis of quality be undertaken.

"That producers be instructed in the grading and packing of food commodities so that local farm products will come to market in condition to attract the discriminating buyer and successfully compete with shipped-in products.

"That the cooperation of dealers be secured in order to expedite efforts to inform producers and consumers with reference to the advantages of graded produce.

"That local and state projects looking to more efficient and better balanced farm production be extended so as to reach more producers, and that every encouragement be given to 4-H club work and to agriculture and home economics instruction in high schools as among the most promising long-time activities for improvement of farming and farm life.

"That a joint committee be created from local farm, business and civic organizations to formulate and put into effect a local development program in harmony with the foregoing recommendations and that any assistance available from the agricultural college be utilized, both in the formulation of plans and in putting them into effect."

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OREGON POTATO GROWERS  
REPORTED ORGANIZING.

Potato growers of Clackamas County (Oregon) are organizing for the systematic handling of their crop as to growth, grading and marketing, reports Seymour Jones, State Market Agent. One of the big chain-store corporations, according to the report, proposes to provide certified seed and agree to purchase all the first class potatoes in the fall.

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MONTHLY FIGURES ON LIVESTOCK slaughtered under Federal inspection are to become available two weeks earlier than heretofore under a new system put into effect by the Bureau of Agricultural Economics and the Bureau of Animal Industry. It is expected to have the data available not later than the eighth day following the month for which the figures are compiled.

NEW ENGLAND PRODUCERS  
USING FARM LABELS.

Approximately 275,000 labels for use on egg cartons, under the New England Farm Marketing Program, have been sold in Massachusetts, reports the Massachusetts Agricultural College. Rhode Island has used 500,000 labels, and Connecticut 350,000. Fifteen States have received cars of potatoes tagged with the New England label. Vermont is specializing on maple products with a new attractive bottle decorated with maple leaves, and the Massachusetts Certified Poultry Breeders' Association is labeling its baby chicks.

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FARM WAGES COMPARE FAVORABLY  
WITH INDUSTRIAL RATES.

A favorable comparison between wages of hired farm hands and industrial wages for comparable work, when allowance is made for the various perquisites such as board, rent, food, etc., received by farm hands in addition to wages, is disclosed in a preliminary report of a survey by the Bureau of Agricultural Economics.

In the bureau's survey, 2,117 farm employers reported that the total average farm of all perquisites was \$30.34 per month, wages \$46.44, or a total of \$76.78. Should the farm value of perquisites, of which food is a large part, expressed be in terms of retail prices, the total of perquisites and cash would compare favorably and in some cases probably exceed wages for comparable labor in industrial employment.

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HIGH BEEF PRICES A  
WORLD-WIDE SITUATION.

Declaring relatively high beef prices a world-wide situation, the Bureau of Agricultural Economics reports that low output, high prices, and a reduced volume of international trade are the outstanding features of the cattle and beef industry in most of the important exporting countries.

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COLD STORAGE HOLDINGS  
SHOW INCREASED VOLUME.

Larger cold storage holdings of most food products on May 1 as compared with May 1 a year ago are reported by the Bureau of Agricultural Economics. Increases are given for meats, lard, creamery butter, American cheese, and apples in barrels and bushel baskets. Decreases are reported for case eggs, poultry, and boxed apples.

SELLER FURNISHING COMMON RYE INSTEAD OF ROSEN RYE IS  
LIABLE IN DAMAGES FOR DIFFERENCE BETWEEN VALUE OF CROPS

Parrish v. Kotthoff

Supreme Court of Oregon, March, 1929, (274 Pac. 1108).

This is an action to recover damages for breach of warranty. The plaintiff raises and fattens sheep for market. The defendant operates a feed and seed store in the town of Jefferson. Rosen rye is a species of rye which when sowed forms stools and is much more valuable for pasture purposes than common rye which grows only with a single stalk. Testimony showed that the difference between seed grown from Rosen rye and other varieties of rye can be determined only by experts.

Plaintiff desired to purchase a quantity of Rosen rye for pasture purposes and so informed defendant. Defendant advised he could obtain it and upon plaintiff's offer to purchase, defendant ordered the quantity desired from the Portland Seed Company. Upon receipt it was sold and delivered in sacks to plaintiff who sowed it upon land rented for the purpose. It appears that at the time of sale both plaintiff and defendant believed that the seed was Rosen rye and the mistake was not discovered until after the crop had partially matured, when it was found that the seed sown was common rye. Plaintiff shortly thereafter commenced this action, seeking to recover as special damages the amount paid as rental for the land, the cost of the seed, and the expense of preparing the land for sowing, and as general damages the loss resulting to plaintiff's sheep from not having sufficient and proper pasture for feeding and fattening them. Verdict and judgment for defendant, from which plaintiff appeals. Reversed.

It was held here that where specified goods are sold in compliance with an order describing the goods, the seller is held to warrant that the goods are of the kind ordered; that is one of the terms of the contract without the fulfillment of which the contract cannot be performed. The defendant having undertaken to sell plaintiff Rosen rye, defendant's obligation could not be performed without furnishing rye which answered that description and no substitution could be made without plaintiff's consent. In accepting the goods tendered as fulfillment of the contract plaintiff, not being able to determine from an inspection that seed was not of the kind ordered, relied and had a right to rely upon the description of the goods ordered. Cases are cited in support of this ruling.

Quoting from the Uniform Sales Act:

"Any affirmation of fact or any promise by the seller relating to the goods is an express warranty if the natural tendency or promise is to induce the buyer to purchase the

goods and if the buyer purchases the goods relying thereon.  
\* \* \* Where there is a contract to sell or a sale of goods by description, there is an implied warranty that the goods shall correspond with the description."

Further quoting and construing the provisions of the Sales Act, it is held in general that any descriptive statements upon which the buyer justifiably relies constitute a warranty.

In Conclusion the Court stated:

"It is wholly immaterial whether the action be considered as an action for breach of contract or for breach of warranty for if treated as one or the other defendant is liable for his failure to furnish the kind or variety of seed which he has agreed to sell and there is no difference in the damages recoverable therefor."

It was held also that the true measure of damages is the difference between the value of the crop raised by plaintiff and a crop of Rosen rye.

H. F. Fitts.

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IN CONGRESS:

H. R. 1, by Mr. Haugen, to establish a Federal farm board to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, and to place agriculture on a basis of economic equality with other industries, has been sent to conference.

S. 101, by Senator Walsh, of Montana, to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage, and for acquiring and disseminating information relative to protein in wheat, has passed the Senate.

Bills Introduced:

S. 1164, by Senator McNary, authorizing and directing the Secretary of Agriculture to investigate all phases of crop insurance.

S. 1161, by Senator Ransdell, to amend the act of Aug. 11, 1916, entitled "United States Cotton Futures Act" as amended. A bill for a similar purpose was introduced by Mr. O'Connor, of Louisiana.

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APPOINTMENT of Dr. H. Bruce Price as head of the Department of Markets and Rural Finance of the Kentucky Agricultural College, to succeed Dr. O. B. Jesness who resigned last August to take the position of head of the Department of Agricultural Economics at the University of Minnesota has been announced. Dr. Price has been doing research in agricultural economics at the University of Minnesota since 1921.

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

### EUROPEAN MARKETS FOR AMERICAN FRUITS SUSTAINED.

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Maintenance of European markets for American fruits, despite the desire of European countries to reduce imports of fruits by increasing domestic production, is reported by Milton J. Newhouse, just returned from a six months' survey of European fruit markets.

Efforts are being made in northern Europe, particularly in Sweden, Denmark and Germany, to increase production of apples and pears, while in more southern and centrally located countries, including Czechoslovakia, Hungary, Austria and Switzerland, such efforts include the softer fruits as well, Mr. Newhouse says. Hungary, particularly, is planning to expand apricot plantings.

Mr. Newhouse points out, however, that many of these efforts are still in the preliminary stages and that his survey did not reveal any visible evidence of materially increased plantings as yet. New prune plantings in Yugoslavia are common; but they are efforts to maintain the industry, which at present is suffering from insect injury, rather than attempts to greatly extend production.

Russia is reported as a growing competitor in European fruit markets, although shipments have not as yet reached large competitive proportions, except possibly in the apple markets in Sweden. Apples and grapes constitute most of the Russian exports which include, also, dried apricots and raisins, and small quantities of prunes. Both grapes and apples are received on the markets in good condition, but the apricots, prunes, and raisins are poorly graded and packed.

Following conferences with fruit interests in California and the Northwest to discuss European marketing problems in detail, Mr. Newhouse will prepare a complete report of his European survey, and the report will be issued by the Bureau of Agricultural Economics at an early date.

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### SPECIAL FARM OUTLOOK REPORTS TO BE ISSUED.

Special outlook reports will be issued by the Bureau of Agricultural Economics, during the current season, as follows: Hogs, July 15; poultry, July 22; sheep and wool, August 5; strawberries, August 15 or earlier, prior to setting of new beds; beef cattle, August 26; early potatoes (Florida and lower Texas valley) September 1 or earlier; winter grains, including wheat, rye and southern oats and barley, September 5. Outlook reports on truck crops will be issued from time to time on dates to be announced later. January 27, 1930, has been set tentatively as the date of issuance of the bureau's annual outlook report for 1930.

CALIFORNIA REPORTS MARKET  
MOVEMENT BY MOTOR TRUCK.

Figures covering motor truck receipts on the Los Angeles have been made a regular part of the daily market news reports issued by the Federal-State Marketing Service, Sacramento, California, B. H. Critchfield, in charge. The daily reports give the truck receipts for each of the principal commodities, together with receipts for the five days previous, for comparison. Monthly unload reports show all commodities received in the Los Angeles market by express, freight, truck and boat. Truck receipts are shown by district of origin.

Two reporters working from twelve midnight until eight in the morning cover the four Los Angeles wholesale markets. Farmers and truckers in the open courts are first interviewed and from each grower or trucker a report is obtained on the number of crates, lugs, sacks, etc., of the various commodities brought to the market that day. As the load in each stall is recorded the number of the stall is checked off in order that a thorough census be made. Numerous trips through each market are necessary to cover all the stalls.

The produce houses surrounding the open courts are then called upon and a list of trucked-in commodities is obtained. Many dealers cooperate by filling out forms left with them. The records from the four markets are assembled in the Federal-State Market News Office and combined with reports received by telephone from chain stores, cold storages, growers associations and dealers not located in the markets covered.

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DAIRY AND POULTRY  
GRADING SERVICES EXTENDED.

Cooperative arrangements with the Detroit Board of Commerce to establish an egg-grading service in certain plants and terminal warehouses in Detroit have been made by the Bureau of Agricultural Economics. The Wisconsin Cheese Producers Federation also has applied for a Federal-State grading service on aged American cheese, a service which, if granted, will be done in cooperation with the Wisconsin Department of Markets. Plans for dairy and poultry products grading services at other places are under consideration.

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FRUIT FLY QUARANTINE AMENDED.

The Mediterranean fruit fly quarantine has been amended by the Secretary of Agriculture to provide for movement interstate of foreign fruits and vegetables entering the United States through Florida ports, and to extend the time for the shipment interstate of non-citrus fruits and host vegetables from protective zones in Florida up to and including June 15, with special provision for shipping grapes up to June 30, 1929.

SWINE PRODUCTION POLICY  
COMMITTEE TO MEET AT CHICAGO.

A joint meeting of the advisory committee with the executive committee of the National Board on Swine Production Policy will be held at Chicago, May 31-June 1. The program calls for discussion of general problems relating to hog production and marketing, problems relating to hog production for individual states, and problems in price determination of hogs:

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NEW MEXICO INTERESTED IN  
HAY INSPECTION SERVICE.

A conference of county agents and other extension representatives in New Mexico was held early this month to determine practical means of improving the quality of New Mexico hay and discuss the feasibility of Federal inspection in New Mexico areas where such work is needed. The New Mexico Extension Services says that there is an increased demand for hay inspection, due largely to the ability of hay dealers to sell on grades by wire where previously personal contact was necessary.

Plans have been made whereby one of the district supervisors, working under Edward C. Parker of the Federal Bureau of Agricultural Economics, will assist extension workers in the various alfalfa growing sections of the State in demonstrating methods of improving the quality of hay by the use of modern harvesting methods.

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NEW JERSEY APPOINTS  
MARKETING SPECIALIST.

A. B. Rose, who had charge of the packing and grading demonstration work on the New Jersey Department of Agriculture marketing train last summer has been appointed specialist in market supervision and packing in the New Jersey Bureau of Markets. Mr. Rose will have charge of all organized market projects and educational work along marketing lines.

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IDAHO AND TENNESSEE  
APPOINT ECONOMISTS.

Dr. Paul A. Eke, formerly Assistant Farm Economist at the West Virginia Experiment Station, is now head of the Department of Agricultural Economics at the Idaho Experiment Station.

The appointment of S. W. Atkins as Assistant Agricultural Economist has been announced by the Tennessee Agricultural Experiment Station.

FARMING SEASON DELAYED  
BY FREAKISH WEATHER.

Farm work this spring has been greatly handicapped by unusual weather conditions, and although this may not result in a short nor unproductive season it may cause some shift in crop acreages, says the Bureau of Agricultural Economics in its June 1 report on the agricultural situation.

Winter grain, grass and fruit growth were given an early start by the warm weather during latter March, but this has been followed by two months of unusually cold, rainy weather which has held up farm work and now leaves the later crops perhaps ten days behind normal schedule.

Ordinarily there is ample time in advance of haying and wheat harvest in June to put corn, potatoes, cotton, and the other tilled crops in good conditions, but cultivation this year will tread close on the heels of harvest, the bureau says. As harvest time approaches, the wheat situation also looms large in the agricultural picture.

Last year at this time, according to the bureau, the wheat fields were struggling to make up the damage done by a hard winter, and east of the Mississippi River a large acreage had been abandoned. This year the grain came through in better shape than usual. The rains have given it a heavy root and top growth, although a dense growth of straw does not always result in large yields of grain.

The surplus of wheat in exporting countries, as of July 1, is roughly estimated by the bureau as likely to be around 125,000,000 bushels more than a year ago, with most of the increase in the United States. Stocks, however, are moving quite rapidly and for the season ahead it is believed to be hardly probable that the world will have general yields of wheat as large as in the last two years.

The hay situation also looks rather different from last season, the bureau says. At this time a year ago, meadows throughout the eastern States showed such winter damage that it was thought western hay would have to be shipped east in large volume to meet the deficit, though grass later developed into about an average crop. This spring the rains have given meadows a long start, and if June proves favorable, an ample hay crop is expected. Present reports indicate heavy yields of alfalfa and early clover, although the bad weather has interfered with haying operations.

The main facts in the early potato situation just now, says the bureau, are the reduction of fully one-fourth in acreage, the early start of the shipping season, and the lighter yields indicated from the first reports. This means a lighter production strung out over a longer time, thus giving the earlier sections a chance to get out of the way of shipping sections next in line.

If these features continue as the shipping centers move northward, it is pointed out, the potato season will be more orderly than in 1928, there will be less overloading of markets, and a smoother shifting from early potatoes to the late crop supply may be expected. Liberal supplies of berries, cantaloupes, cabbage, and lettuce are expected during June, but plantings of watermelons, tomatoes, and onions for the early summer period have been reduced.

**STATE WAREHOUSE LAW HELD NOT INVALID AS INTERFERENCE  
WITH INTERSTATE COMMERCE**

The case of *Independent Gin & Warehouse Co. v. Dunwoody, Commissioner of Agriculture and Industries of Alabama*, was decided by the District Court of Alabama in October, 1928 (reported in 30 Fed. 306, March, 1929).

The question is presented whether a restraining order against defendant should be granted as asked by plaintiffs. The plaintiffs challenge the Alabama statute regulating warehouses, warehousemen, weighers, graders, inspectors, samplers, or classifiers, where cotton is stored for safe-keeping and for weighing, grading, sampling, or classing, pending such time as the cotton may go into interstate commerce, and contend that this Alabama Act conflicts with the commerce clause of the Constitution of the United States. They contend also that the Act of Congress which provides for the licensing and regulating of warehouses as a Federal agency in relation to interstate commerce precludes the state from the licensing and regulation of such warehouses as the Alabama Act is designed to do. The applicable portion of the Federal warehouse Act as quoted in the decision reads:

"nothing in this chapter shall be construed to conflict with, or to authorize any conflict with, or in any way to impair or limit the effect or operation of the laws of any state relating to warehouses, warehousemen, weighers, graders, inspectors, samplers, or classifiers; but the Secretary of Agriculture is authorized to cooperate with such officials as are charged with the enforcement of such state laws in such states and through such cooperation to secure the enforcement of the provisions of this chapter; nor shall this chapter be construed so as to limit the operation of any statute of the United States relating to warehouses or warehousemen, weighers, graders, inspectors, samplers, or classifiers in force February 23, 1923, in the District of Columbia or in any territory or other place under the exclusive jurisdiction of the United States."

The court holds that on account of this congressional enactment he must comply with the spirit and announced purpose thereunder and must not "in any way to impair or limit the effect or operation of the laws of any state relating to warehouses," but that he must leave it to the Secretary of Agriculture "to cooperate with such officials as are charged with the enforcement of such state laws in such states and through such cooperation to secure the enforcement of the provisions of this chapter."

It appears that the main objection of the plaintiffs is that the state cannot, in view of the Act of Congress relating to warehousing, require or exact the license tax demanded of warehousing corporations, such as the

plaintiffs', inasmuch as the Federal Act constitutes a contract or permit given by the United States Government to warehouse corporations, thus excluding the state from licensing or interfering in any manner by supervision or otherwise with the business of the "Federal warehouses", that is those licensed under the U. S. warehouse Act.

In discussing this contention, the court referred to the former practice of the government in requiring the payment of a revenue tax to retail whisky or to sell cigars or tobacco, and stated that such practice did not prevent the state from legislating and controlling, or even prohibiting, the sale of liquor or tobacco; likewise that the exaction by the state of a small license fee from plaintiffs, probably for inspections and examinations by state authorities of operating practices, is a reasonable requirement and one of those things done in the interest of the owners and patrons of warehouses to prevent desception, fraud, etc.

It is held further that "It cannot be fairly said that the regulatory act of Alabama restrains or interferes with interstate commerce;" that the legislation appears to be in harmony with the Act of Congress in letter, spirit, and purpose, and that cooperation exists between the Federal and state authorities in the administration of the warehouse activities. The issuance of the restraining order therefore was denied.

H. F. Fitts.

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RECENT MIMEOGRAPHS  
(Bureau of Agricultural Economics)

- "The Sources of Short-Term Loans", radio talk by D. L. Wickens.
- "Marketing Colorado Peaches, Summary of 1928 Season."
- "Suggestions for the Organization of a Cooperative Creamery and a Form of By-Laws."
- "Review of the 1928 Cotton Crop", radio talk by W. F. Callander.
- "Government Services to Egg Consumers", radio talk by Roy C. Potts.
- "Marketing Arizona Cantaloupes, Summary of 1928 Season."
- "Moisture in Wheat" (Abstracts and References).
- "Summary of Cases and Decisions on Legal Phases of Cooperation (No. 6)."
- "Do We Need More Farm Land?" By O. E. Baker.
- "Marketing Colorado Bartlett Pears, Summary 1928-29 Season."
- "Marketing North Carolina Potatoes, Summary of 1928 Season."
- "Imports of Principal Agricultural Products ,by Countries, 1925-28."
- "Labor Requirements of Farm Products", a list of references to material published since 1922.
- "Marketing Illinois Peaches, Summary of 1928 Season."
- "Sheep Conditions in the Range States," radio talk by C. L. Harlan.
- "Marketing the Strawberry Crop," radio talk by F. B. Robb.
- "Marketing the 1929 Wool Clip," radio talk by G. T. Willingmyre.
- "Marketing Southeastern Watermelons, Summary o- 1928 Season."

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A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

June 5, 1929

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Vol. 9, No. 23

★ JUN 1 1929 ★

U. S. Department of Agriculture

POTATO COMMITTEE MOVES  
TO PREVENT ACREAGE INCREASE.

An early campaign to prevent a disastrous increase in southeastern potato acreage for 1930 in case prices for the present crop prove to be as satisfactory as now anticipated was endorsed at a meeting of the Interstate Early Potato Committee at Cape Charles, Virginia, May 28.

North Carolina dealers attending the meeting reported that they have arrived at a mutual working understanding as to marketing policy, and dealers in the vicinity of Norfolk reported a similarly successful local get-together movement. Considerable confidence was expressed at the meeting that it should be possible to maintain June prices at close to the level of May prices, with the possibility that if this is done July prices need be but little lower.

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NEW YORK LIVE POULTRY TERMINAL  
WOULD LESSEN MARKETING COSTS.

Establishment of the proposed union terminal at Weehawken, New Jersey, for the New York City live poultry trade would effect economies in terminal marketing costs which should be reflected in better live poultry prices to shippers, dealers, and consumers, according to the Bureau of Agricultural Economics in a report of the results of an economic survey of the present system and methods of live poultry marketing made at the request of the New York Live Poultry Commission Merchants Association and the Attorney General of the State of New York.

Under present conditions, the bureau points out, the market supplies, which now aggregate some 13,000 cars annually, are distributed among a number of terminals and West Washington Market. There exists no adequate mechanism for determining prices and there is considerable waste in handling costs involving unloading, coop rental, and cartage. Concentration of the business at a single terminal, says the bureau, would enable commission men operating under the present system to reduce the number of their salesmen; the number of employes for unloading from the cars and loading onto trucks could be materially reduced, and coop and cartage costs could be lessened by more intensive use of these facilities. The average cost of marketing live poultry from shipping point to slaughterhouse only, for all States, was found to be 6.13 cents per pound. The average total marketing cost per car from shipping point to slaughterhouse is about \$1,000.

Nearly two-thirds of the marketing costs are incurred in transit, and one-third is incurred at the terminals. Of the terminal costs more than one-half goes for coops, cartage, and unloading. This does not include the extra charge made by the cartage company for moving poultry to points other than West Washington Market. The total of terminal marketing costs,

excluding the additional charge by a carting company, is approximately \$4,500,000 per year, of which amount nearly one-half is for commission. The marketing costs from shipping point to the slaughterhouse vary from about 30 per cent of the wholesale value per pound for Texas, to about 15 per cent for Ohio.

The bureau believes that the price of live poultry should be established before physical possession of the goods is transferred from commission merchant to buyer, and that the market quotation should relate to the different grades of the various classes of poultry and should represent actual transactions that have been previously consummated. The financial responsibility of the shippers should cease, the bureau says, in connection with marketing costs, when the poultry has been delivered and weighed out to the buyer at the terminal.

A full report of the survey has been issued by the U. S. Department of Agriculture in Technical Bulletin 107-T, entitled "Wholesale Marketing of Live Poultry in New York City."

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LARGE FAMILIES DRINK  
LEAST MILK PER PERSON.

A survey of milk consumption by 7,500 Washington families having children of junior high school age shows that the larger families in this group drink less milk per person than is drunk in the smaller families, announces the Bureau of Agricultural Economics.

The survey covered twelve junior high schools and two upper grades in four elementary schools in the District of Columbia. The average per capita consumption for 7,500 families having children in these grades was found to be 1.05 pints of milk and milk equivalent of cream per day. Separated as to white and colored groups, the per capita consumption by white families is 1.15 pints per day, and by colored families .84 pints per day.

The figures show that of the total group, 195 families composed of only two persons drink an average of 1.68 pints per person daily; 933 families of three persons drink 1.38 pints per person daily; 1,507 families of four persons drink on the average 1.24 pints per person; 1,479 families of five persons, 1.1 pints per person; 1,197 families of six persons, .98 pints per person, and so on in lesser amounts as the size of family increases.

This decreased consumption in proportion to the size of the family is more pronounced in families which have a relatively large number of children than in families which have a relatively large number of adults, and the conclusion is drawn that financial conditions of the family are largely responsible for this situation. In many cases, however, it is believed that the smaller consumption in the larger families is due to a lack of appreciation of milk in the diet.

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APPOINTMENT of Dr. Paul A. Eke, formerly of the faculty of the University of West Virginia, as economist of the University of Idaho College of Agriculture Experiment Station has been announced. Researches in farm organization and farm management, price trends, marketing problems and other phases of the business side of farming are to be made under Dr. Eke's direction.

FARM EFFICIENCY LESSENING  
NEED FOR ACREAGE EXPANSION.

Farm production in the United States has increased a half more rapidly than population since the world war, declares Dr. O. E. Baker, Bureau of Agricultural Economics. This increase in production has been more rapid than at any time since 1900 and probably more rapid than any time since 1890. Moreover, Dr. Baker says, the increase has been accomplished despite a decrease in the number of farms and in farm population, a decrease in the number of farm animals, and a slight decrease in crop acreage.

It should be unnecessary, Dr. Baker believes, to expand the net farm area of the nation during the next decade. Nearly all the requisite increase in our crop acreage, he says, could be obtained by cultivating the crop land that is now idle in farms. As acre yields of the crops are likely to increase, and the increasing production of meat and milk per unit of feed consumed by farm animals is likely to continue, it may be that not more than one-fourth the 500,000,000 acres of potentially cultivable land after the year 1940 will ever need to be used for crops, unless the United States should be called on to contribute increasingly to the foreign demand for food and fibers.

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TOBACCO STOCKS SHOW DECREASE  
UNDER APRIL 1 A YEAR AGO

Stocks of leaf tobacco held in the United States by dealers and manufacturers as reported on April 1, 1929 under the provisions of the Tobacco Stocks and Standards Act to the Bureau of Agricultural Economics shows a total of 1,933,939,626 pounds, compared with 1,755,407,668 pounds on January 1, 1929, and 1,999,671,359 pounds on April 1, 1928 reported by the United States Department of Commerce. A detailed report by types may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

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FARM REAL ESTATE VALUES  
SHOW SLIGHT DECLINE.

Although farm real estate values generally continued downward during the year ended March 1, 1929, the declines generally were comparatively slight and in a number of States represented the smallest annual losses in value recorded in recent years, according to preliminary estimates by the Bureau of Agricultural Economics.

During the 12-month period values per acre of all farm lands with improvements averaged for the United States as a whole showed a decline of slightly less than 1 per cent. This represented the smallest annual loss shown in the national average since the price peak of 1920 was passed, and represents a continuation of a downward trend which set in at that time. In comparison with the average values prevailing before the war the national figure on March 1, 1929, was 16 per cent above the three years 1912-14. On March 1, 1928, the corresponding figure was 17 per cent above pre-war.

SENATE PASSES WHEAT  
PROTEIN TESTING BILL.

The United States Senate has passed a bill (S. 101) to provide for producers and others the benefit of official tests to determine the amount of protein in wheat for use in merchandising the grain to the best advantage and for acquiring and disseminating information about protein in wheat. The measure, which would be called the Federal-State protein testing act, would authorize the appropriation of \$285,000 for expenditures in the fiscal years 1929 and 1930 and the appropriation of such additional sums as might be necessary thereafter. The bill has not yet been passed by the House. It is identical with a bill (S. 5632, 70th Congress) which passed the Senate February 21 last. In reporting the earlier measure to the Senate, the Committee on Agriculture and Forestry stated that the bill had the approval of the Department of Agriculture and the Bureau of the Budget.

Establishment of protein-testing laboratories in various States is provided for in the bill. These laboratories would be operated by the United States Department of Agriculture in cooperation with the State agricultural colleges. They would make tests in connection with general surveys of the protein content of the crop made prior to harvest or during the early movement of the crop, and would provide facilities by which farmers and others might conveniently have their wheat tested at the time of marketing. In order that the laboratories might have the widest usefulness, the bill provides for cooperation with State agencies in an educational program. It was pointed out by the committee that existing laboratories at terminal markets perform a protein-testing service for those who trade in grain. Facilities necessary to insure that protein premiums are paid to the man who produces the grain are not always accessible to producers.

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INTERNATIONAL ECONOMIC  
CONFERENCE TO BE HELD.

An international conference of Agricultural economists is to be held in England from August 26 to September 7 for the purpose of interchanging knowledge among the agricultural economists of America, England, and North Europe. The conference was planned last summer by Dr. C. E. Ladd of Cornell University, Professor C. S. Orwin of the Research Institute of Agricultural Economics at Oxford University, and by Leonard K. Elmhirst of Dartington Hall, Devon, England.

American representatives at the conference will include Dr. C. E. Ladd, G. F. Warren, F. A. Pearson, Leland Specner, and M. P. Rasmussen of Cornell; C. L. Christensen of the United States Bureau of Agricultural Economics; F. W. Weaver of the Pennsylvania State College of Agriculture, and H. C. M. Case of the Illinois College of Agriculture.

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AT 136 PER CENT OF THE PRE-WAR LEVEL, the index of the general level of farm prices on May 15 was 2 points lower than on April 15 and 12 point lower than May a year ago, reports the Bureau of Agricultural Economics. The decline was due to lower prices of all grains, flaxseed, cotton and cottonseed, hay, hogs, sheep, lambs, wool, and dairy products, which were only partly offset by advances in farm prices of fruits and vegetables, beef cattle, poultry and poultry products.

ACTION ON NEGOTIABLE WAREHOUSE RECEIPTS IS AGAINST WAREHOUSEMAN

The case of Luby et al v. Bell was recently decided by the Court of Civil Appeals of Texas and reported in 15 S.W. page 106. The question at issue was the liability of the assignors of negotiable warehouse receipts upon their assignment to others when the cotton covered by the receipts had been removed from the warehouse where it was stored.

It appears that three bales of cotton had been stored in the Corpus Christi Warehouse, a public warehouse operating under the provisions of the laws of Texas. These bales were seized and removed from the warehouse on writ of attachment. The receipts representing them subsequently were purchased by Mary J. Luby, who sold them, together with fourteen other receipts, to Thomas Bell. Bell upon discovering that the cotton covered by these three receipts was not in the warehouse brought this action. In the lower court judgment was in favor of Bell. The transfer of the receipts was made by the Lubys to Bell without any knowledge on their part of their previous history or that they had been involved in any litigation and, according to the court, the record warrants the assumption that at the time of the sale of the receipts to appellee neither party had any active knowledge that the cotton covered by the receipts was not in the warehouse and that both parties were acting in good faith in the sale and purchase.

Bell was awarded damages by the jury to the amount of \$465.79, which was paid by him for the three receipts, but, as set out in this decision, the issue was submitted to the jury without any accompanying definitions, instructions, or explanations from the court; that the method by which the jury determined the issues, the facts and circumstances they considered, and the very meaning of the finding are matters of purest conjecture. Inasmuch as the Lubys were without fault in the matter and there was nothing in the evidence which would justify an inference that they had any knowledge of the removal of the cotton from the warehouse, it is held that the finding of the jury is without any value in the case. The receipts in question were negotiable and the transferee and holder is considered and held as the actual and exclusive owner of the property therein described. On the question of the status of negotiable warehouse receipts, the following quotation is from the decision:

"The receipts constituted contracts between the warehouse company and the person storing the cotton in that company's warehouse, and the company was obligated under those contracts to deliver the cotton to the depositor or his lawful assignee upon presentation and demand. The contracts were assignable, were negotiable. They constituted choses in action in favor of the holder against the warehouseman. If the warehouseman fails or refuses to deliver the cotton upon demand of the holder, the latter's remedy is against the warehouseman and not against the assignor, for "the assignment and acceptance of a warehouse receipt in fulfillment of a contract to deliver the goods represented by it is presumed to be in complete discharge of the contract, and the assignee has no recourse against the assignor for failure of the warehouseman to deliver the goods." 40 Cyc. 419".

It is held that the defenses arising from the history of the transactions not having come to the notice of the appellants prior to the transfer and endorsement are not available as against them in a subsequent suit to recover the amount they received for the receipts. Accordingly the judgment was reversed. H. F. Fitts.

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IN CONGRESS:

S. 312, by Senators Jones and Vandenberg, to provide for the 15th and subsequent decennial censuses\*\*\* has passed the Senate.

H.R.2667, by Mr. Hawley (tariff bill) to provide revenue to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, has passed the House.

Bills Introduced:

S.. 1202, by Senator McNary, to amend sections 4,6,8,9,11,12,25,29 and 30 of the United States Warehouse Act.

S. 1303, by Senator Black, to provide for the preservation completion, maintenance, operation, and use of the United States, Muscle Shoals project for war, navigation, fertilizer manufacture, electric power production, flood and farm relief\*\*\*. S.J.Res. 49, for somewhat similar purposes, was introduced by Senator Norris.

H.R.3571, by Mr. Sloan, appropriating \$5,000,000 for the stay of ravages of the corn borer and effecting its ultimate eradication.

S. 1245, by Senator Tydings, to amend the act entitled "An act for the retirement of employees in the classified civil service".

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RECENT MIMEOGRAPHS  
(Bureau of Agricultural Economics)

"Summary of chicken and Egg Production, Spring of 1929," radio talk by S. A. Jones.

"Comments on the Spring Cattle Market," radio talk by C. V. Whalin,  
"Marketing Colorado Cantaloupes, Summary of 1928 Season."

"Marketing East Texas Tomatoes, Summary of 1928 Season."

"A Single Farm Community," radio talk by Dr. C. J. Galpin.

"Selling American Apples Abroad," radion talk by Edwin A Smith.

"U. S. Standards Aid Broom Manufacturers," by G. B. Alguire.

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CALIFORNIA ASSEMBLY BILL 155, providing for the licensing and bonding of dealers handling deciduous fruits, dates and grapes, was signed by Governor Young of California, May 20. The California Department of Agriculture is working on a program for administering the act.

# MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

★ JUN 13 1929 ★

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF ANIMAL INDUSTRY, DEPARTMENT OF AGRICULTURE, ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

June 12, 1929

Vol. 9, No. 24

## GOVERNMENT SUSTAINED IN ANTI-BOYCOTT CASE.

The Supreme Court of the United States on May 20 handed down a decision in the case of the United States v. American Livestock Commission Company et al. - the so-called Oklahoma boycott case - sustaining the order of the Secretary of Agriculture against certain market agencies and livestock dealers operating at the Oklahoma National Stockyards. The case, which dates back more than three years, has attracted wide public interest by reason of the boycott by various market agencies of a cooperative livestock marketing association.

In an order of March 31, 1926, the Secretary of Agriculture directed the market agencies and dealers operating at the Oklahoma National Stockyards to cease from engaging in and using unfair or discriminatory practices in connection with the purchase and sale of livestock, by failing or refusing to buy livestock from or sell to the Producers' Commission Association while at the same time carrying on business among themselves, and prohibited the respondents from agreeing among themselves to refrain from dealing with the Producers' Commission Association.

A United States district court of three judges granted an injunction against the enforcement of this order, whereupon the Government appealed the case to the Supreme Court of the United States. The order of the Secretary was issued under the packers and stockyards act and the favorable decision of the Supreme Court is considered by officials of the Bureau of Animal Industry, which administers the act, to have an important bearing on the future marketing of livestock at public stockyards.

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## APPLE INDUSTRY SURVEY INDICATES BETTER STABILITY.

Although further increases in commercial apple production may be expected during the next few years, the rate of increase will be less than it was during the last ten years, and the future appears somewhat brighter for the real commercial grower who is favorably located and who produces apples of high quality at low cost, reports the Bureau of Agricultural Economics following a survey of the situation.

Total apple production has declined slightly since 1917, but commercial production has steadily increased. Carlot shipments have increased at an average of 4,600 carloads a year since 1918, and movements by motor truck have grown considerably. Increased production per tree has largely offset a decrease of nearly 40 per cent in number of trees from 1910 to 1925. Commercial production is expected to continue at a high level for several years, but recent changes and present tendencies, says the bureau, promise a better approach to stability in the industry.

NEW ENGLAND STATES TO  
HAVE UNIFORM TURKEY GRADES.

Tentative turkey grades for the six New England States are being drafted by M. H. Brightman, Rhode Island Bureau of Markets, for consideration at a meeting of New England Marketing Officials to be held at Burlington, Vermont, June 19.

At a recent meeting of the New England Marketing Officials, at Hartford, Connecticut, a resolution was passed to recommend to the New England Association of Agricultural Commissioners that steps be taken to register the New England "Quality Label" which is now being used on various New England farm products, with the United States Patent Office. The registered trade mark would read: "A New England Quality Farm Product.

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SURVEY OF COTTON CONSUMPTION  
BY MILLS UNDER WAY.

Statistics on the grade and staple of cotton consumed in American cotton mills for the year ending July 31, 1929, comparable with data collected for the year ended July 31, 1928, are being compiled by the Bureau of Agricultural Economics. A. W. Palmer, in charge of the Cotton Marketing Division of the bureau declares that studies of the grade and staple of cotton consumed and produced indicate that consumption is making the greatest pressure upon our supplies of cotton 15/16 to 1-1/16 inches in length. He believes that available data on the grade and staple of cotton produced and consumed indicate that the "greatest relief to the cotton industry through new uses for cotton might come by finding additional uses for the coarse counts or extra fine counts of yarn."

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TOBACCO PRICE STUDY BEGUN.

Research work on tobacco prices was begun by the Bureau of Agricultural Economics, June 1. The first work will involve study of the factors affecting the price of flue-cured tobacco and study of the factors affecting the price of cigar tobacco grown in the Connecticut Valley, the latter in cooperation with the Connecticut Agricultural Experiment Station.

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TURKEY-GRADING SCHOOL PLANNED.

Extension of the turkey-grading service to several Western States is being planned by the Bureau of Agricultural Economics. States interested in the service are Colorado, Utah, California, Oregon, Idaho, Montana, Wyoming, South Dakota, and Nebraska. Should these plans mature, a turkey-grading school would be held at Salt Lake City next October, to which States would be invited to send representatives to receive training as supervisors or as graders.

RESHIPMENT OF FLORIDA  
PRODUCE IS PROHIBITED.

A revision of the Mediterranean fruit fly quarantine, effective forthwith, forbidding the reshipment of Florida host fruits and vegetables from northern and northeastern States into the territory of the South and West into which direct shipment from Florida is already prohibited, has been announced by the Secretary of Agriculture.

Under supplemental regulations issued with the revised quarantine, host fruits and vegetables which have been produced in and moved from the State of Florida shall not thereafter be reshipped or otherwise transported into the States of Alabama, Arizona, Arkansas, California, Georgia, Idaho, Louisiana, Mississippi, Nevada, New Mexico, North Carolina, Oklahoma, Oregon, South Carolina, Tennessee, Texas, Utah or Washington, or into the Territory of Porto Rico.

It is further provided that host fruits and vegetables which have been produced in a "protective zone" - i.e., the zones immediately surrounding infested zones - and moved into the area northeast of and including Potomac Yards, Va., the District of Columbia, and the States of Maryland and Pennsylvania, shall not thereafter be reshipped or otherwise transported to points in the United States outside the said northeastern area.

This revision places no restrictions on the interstate movement from non-infested States of articles which have originated outside of Florida. Florida is the only State definitely known at this time to have groves or orchards infested with the Mediterranean fruit fly.

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CALIFORNIA STUDIES WOOL  
MANUFACTURING PROCESSES.

A study of wool manufacturing processes for the purpose of furthering research in wool production is being made by Prof. J. F. Wilson, wool specialist, University of California. Commercial wool manufacturing methods are to be simulated by the University on a laboratory scale.

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COMMERCIAL ORCHARDS IN  
PENNSYLVANIA LISTED.

A list of commercial orchards in Pennsylvania having 500 or more apple trees or peach trees has been compiled from the Second Triennial Farm Census by L. H. Wible, Bureau of Statistics, Pennsylvania Department of Agriculture.

According to the compilation, there are 1685 farms in the 500-or-more fruit tree class, and these have a total of 1,804,175 apple trees, and 1,270,325 peach trees, or about 24 per cent of all the apple trees and 50 per cent of all the peach trees reported on farms in the Commonwealth.

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OHIO sheep men are being advised against too heavy liquidation of flocks, by the rural economics department of the Ohio State University.

CALIFORNIA EXTENSION SCHOOL  
TO DISCUSS ECONOMIC CONDITIONS.

An agricultural extension school is to be held at Riverside, California, the week of June 17, to discuss the economic aspects of the dairy, poultry, citrus, deciduous fruit and walnut industries. The school is a cooperative enterprise of the University of California Agricultural Extension Service and the agricultural committee of the California Bankers' Association. The conference, which will be held in the evening, will be open to persons connected with banks, financing companies, and similar organizations.

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BOSTON FOOD RECEIPTS  
SHOW STEADY GROWTH.

Total fruit and vegetable receipts at Boston are increasing at the rate of about 1,000 cars annually, while receipts from local producing areas increase about 200 cars, according to a report issued by the Massachusetts Department of Agriculture of receipts and sources of Boston's food supply for the year 1928.

The volume of southern vegetables coming to the Boston market has tripled in the last five years, according to this report. It is stated that more than 40 per cent of Boston's vegetable supply is grown on New England farms, that Massachusetts alone supplies about one-fourth of the vegetables received at Boston, and that excluding potatoes, more than 40 per cent of the vegetables are from Massachusetts.

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CONNECTICUT ISSUES COOPERATIVE  
MARKETING SERVICE PROGRAM.

A detailed program of the Cooperative Vegetable Marketing Service established June 1 by the Connecticut Bureau of Markets has been issued in mimeograph by that bureau. The service contemplates the issuance of reports of intentions-to-plant, a report of daily shipments to local markets, and a weekly forecast sheet on which farmers will report the quantities of produce they expect to sell during the ensuing week on local markets. Farmers who cooperate in the service will be furnished information on market trends, market conditions on principal Connecticut markets, local shipments during the preceding week, probable local shipments during the current week, carlot unloads during the preceding week, carlot unloads for the same week last year, and possibilities for shipment to other markets.

Copies of the program may be obtained from the Connecticut Bureau of Markets, Hartford, Conn.

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"SEASONAL FEATURES OF ILLINOIS GRAIN MARKETING," has been issued as Bulletin 324 by the Illinois Agricultural Experiment Station, Urbana, Illinois.

INFORMATION OR INVITATION TO NEGOTIATE  
DOES NOT CONSTITUTE "OFFER".

Courteen Seed Company v. Abraham,  
Supreme Court of Oregon, March, 1929,  
(275 Pac. 684)

This is an action for damages based upon an alleged contract for the sale of a carload of clover seed. Plaintiff is engaged in the wholesale seed business. Defendant is a warehouseman and grain dealer at Amity, Oregon.

Plaintiff alleges that defendant in writing sold and agreed to deliver to plaintiff one carload of clover seed of approximately 50,000 pounds at 23 cents; that plaintiff had sold and contracted to sell this seed to others at a profit; that, though defendant has often been requested to do so, he has refused to ship the clover seed to plaintiff or any part thereof, and that, consequently, plaintiff has been damaged to the amount of \$2,750.

The defendant's answer is a general denial. In the trial court the plaintiff was awarded judgment for \$500, from which the defendant appeals. Reversed.

The defendant contended that evidence fails to show that he ever made a binding offer to plaintiff to sell clover seed. The law is that in all contracts an offer must be made on one side and accepted on the other. The plaintiff relies upon a telegram from defendant as his offer to sell, reading "I am asking 23 cents per pound for the car of clover seed from which your sample was taken \* \* \* Have an offer 22-3/4 cents per pound Amity." Plaintiff's acceptance reads, "Telegram received. We accept your offer. Ship promptly. Route car Milwaukee road at Omaha."

It appears that defendant had been mailing out samples of clover seed to various persons, each sample being enclosed in an envelope bearing the words, "Red clover, 50,000 pounds like sample. I am asking 24 cents Amity, Ore." In the decision here the court indicated that it has been laid down by eminent authority that information or invitation to negotiate does not constitute an offer and quoted the law of contracts that "the commonest examples of offers meant to open negotiations and to call forth offers are the advertisements, circulars, and trade letters sent out by business houses. While it is possible that the offers made by such means may be in such form as to become contracts, they are often merely expressions of a willingness to negotiate." There is then quoted a list of examples of cases which could not be construed to be of the nature of contracts and also typical reported cases which did not constitute an offer to sell and which, if accepted by any or all persons addressed, would not bind the defendant.

H. F. Fitts.

PENNSYLVANIA IS MARKET FOR  
87,000 CARS OF PRODUCE.

The fifteen leading cities in Pennsylvania consumed nearly 87,000 carloads of fruits and vegetables during 1928, in addition to the heavy supplies of produce received by motor truck, according to reports to the Pennsylvania Bureau of Markets. These rail shipments were nearly 2,000 cars less than were received at the same cities in 1927, due largely to the greater use of motor trucks in marketing produce. The bureau says that for short distances, truck hauling is rapidly replacing rail shipments and that improved highways have made it possible to truck farm produce as much as 500 miles to market.

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RECENT MIMEOGRAPHS  
Bureau of Agricultural Economics

"Early and Mid-Season Potato Summary, 1929."

"Legal Status and Responsibility of Members and Management of Co-operative Associations" by H. M. Bain, Division of Cooperative Marketing.

"Marketing Colorado Lettuce, Summary of 1928 Season."

"The Federal Market News Service," radio talk by Clarence W. Kitchen.

"An Interview on Russia," radio talk by Loyd V. Steere, Agricultural Commissioner to Germany.

"What Has Happened to Farm Land Values During the Last Year," radio talk by B. H. Wiecking.

"The Spring Feed Situation," radio talk by F. J. Hosking.

"Reflection of Protein Premiums to Wheat Growers," radio talk by W. J. Kuhrt.

"The Dairy Markets," radio talk by L. M. Davis.

"Problems and Research Methods in Cotton Ginning."

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"Fruit Regions and Varieties of Eastern New York," has been issued as Bulletin 563 by the New York State Agricultural Experiment Station, Geneva, N. Y.

"Report of the Extension Service, Year Ending December 1, 1928," has been issued as Bulletin No. 3 by the Wyoming Extension Service, Laramie, Wyo.

"Food Animals and Meat Consumption in the United States," has been issued as Circular 241 by the United States Department of Agriculture.

"Factors Affecting the Price of Peaches in the New York City Market" has been issued as Technical Bulletin 115 by the United States Department of Agriculture.

"Milk Production on the Elephant Butte Irrigation Project," has been issued as Circular 99 by the New Mexico Extension Service, State College, New Mexico.

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June 19, 1929

Vol. 9, No. 25

★ JUN 24 1929 ★

U. S. Department of Agriculture

MARYLAND REPORTS RESULTS  
OF CANNING INDUSTRY SURVEY.

The results of an economic survey of the canning industry in Maryland have been reported by the Maryland Experiment Station in which it is stated that for the three years 1925-27, 65 per cent of the farms growing 66 per cent of the tomato acreage produced at a profit; 49 per cent of the farms growing 51 per cent of the sweet corn acreage produced at a profit; and 78 per cent of the farms growing 84 per cent of the pea acreage produced at a profit.

Bulletin 304, issued by the Station, covers the economic phases of the production of tomatoes, and Bulletin 305 deals with the production of sweet corn and peas. Statistics of the relative importance of the three canning crops in Maryland and comparisons of the production in that State with other States are presented. Data on the cost of production per acre and per ton are presented and interpreted. The net income per acre and the factors affecting it are analyzed, and a statistical analysis and discussion of the prevailing practices used in producing the crops are contained in the bulletins.

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ECONOMIC STUDY TO BE MADE  
OF EASTERN GRAPE SITUATION.

An economic study of the eastern grape situation for the purpose of providing a basis upon which producers may plan the future constructive development of the grape industry is being made by the Bureau of Agricultural Economics in cooperation with the New York State College of Agriculture. The survey embraces all phases of the industry including marketing, farm management and costs, and cooperative marketing.

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MISSOURI ISSUES STANDARDS  
FOR IRISH POTATOES.

Official standards for the inspection of Irish potatoes and the designation of potato inspection shipping points in Missouri have been announced by Commissioner C. P. Anderson of the State Marketing Bureau. The grades are designated as U. S. No. 1, Missouri Combination, and U. S. No. 2. "Missouri Combination" consists of not less than three-quarters, or 75 per cent, of potatoes that meet all the requirements of U. S. Grade No. 1, and 25 per cent which shall meet the size requirements of U. S. Grade No. 1 and the quality requirements of U. S. Grade No. 2. Action of the Commissioner was authorized by an Act of the Legislature, passed by the Fifty-fifth General Assembly of the State of Missouri, approved May 13, 1929.

U. S. Dept. of Agriculture Library,  
Attn., Miss Tralinger,  
4 K Washington, D. C.

DELAWARE BUREAU HELPS  
GROWERS MARKET APPLE CROP.

In a letter to apple buyers and dealers in the United States and Canada, the Delaware Bureau of Markets says that the crop in Delaware will be considerably short of last year, but that exceptionally good quality and size are expected. Attention is called to the present Delaware law pertaining to the marking or branding of all closed packages of apples.

"This law," declares W. T. Derickson, director of the bureau, "provides that all closed packages of apples sold, offered for sale, shipped, or consigned from Delaware must be marked with the owner's name and address, the variety, the minimum size or range of sizes, and the grade. The grades are the same as those established by the United States Department of Agriculture, except that in Delaware the 'U.S. No. 2' grade may be marked either 'U.S. No. 2' or 'Choice'. This law was sponsored by the apple growers and shippers of Delaware and an honest effort will be made to enforce it. Its purpose is to encourage the production of better quality fruit and to improve and advance the apple industry in this State, as well as to create confidence among the buyers, dealers, and consumers of Delaware apples. The bureau is offering to furnish the names of growers and shippers of Delaware apples.

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BEE INDUSTRY SURVEYED  
TO REDUCE COSTS.

Beekeeping practices and management and the marketing of honey in the clover honey producing region are being studied by the United States Department of Agriculture. Following a similar survey in the intermountain states the department declares that "in general, losses and gains were shown to be closely related to poor yields, but not invariably so. Though the cost of producing extracted honey ranged from 1.5 cents up to about 22 cents per pound, the highest and lowest costs were abnormal. For 70 per cent of the producers, the computed cost fell within the range of 4 to 8 cents a pound."

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PENNSYLVANIA ADOPTS  
SEED POTATO STANDARDS.

Rules and regulations for the certification of seed potatoes, including standards for grade, have been adopted by the Pennsylvania Department of Agriculture, effective June 1. Two grades of seed potatoes are provided: Pennsylvania certified seed grade, which includes only potatoes passing the field and tuber (bin) inspections of the Bureau of Plant Industry, and Pennsylvania field certified seed grade, which consists of potatoes passing all field inspection requirements of the Bureau of Plant Industry but which may not have been graded or sized according to the requirements of the Pennsylvania certified seed grades.

TOBACCO GRADING SERVICE  
EXTENDED TO LAKE CITY, S. C.

The tobacco grading service of the Bureau of Agricultural Economics has been extended to Lake City, South Carolina, under cooperative arrangement with the South Carolina Division of Markets. A small fee will be charged for grading, but it is not expected that the project will be self-supporting the first year.

Grading service will be available at four eastern markets this year: Lynchburg, Farmville and South Hill, Va., and Lake City, S. C. Plans are being considered to make the service available in selected markets in Kentucky and Tennessee.

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INCREASED INTEREST IN  
MISSOURI LAMB GRADING.

Grading market lambs at shipping points throughout Missouri has doubled in volume in one year, says the Missouri College of Agriculture. It is expected that 16,000 lambs will be graded this year as compared with slightly fewer than 8,000 a year ago. Graded lambs this spring, says the college, have been selling at \$1 to \$1.50 above the practical top of the market, and fat buck lambs as low as \$2 a hundredweight less than the select lambs. Cooperative livestock commission companies, the stock yards companies, and the packers are supporting the project.

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PENNSYLVANIA ENACTS  
COOPERATIVE MARKETING ACTS.

Two cooperative marketing acts have been signed by Governor Fisher of Pennsylvania. Act No. 394 provides for the incorporation and regulation of cooperative agricultural associations having capital stock, and Act No. 422 consists of amendments to the cooperative agricultural association Act of June 12, 1919, for the purpose of simplifying the procedure for procuring a charter for cooperative agricultural associations not having a capital stock. Copies of the bills may be obtained from the Pennsylvania Department of Agriculture, Harrisburg, Penna.

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DAIRY STORAGE STOCKS HIGHER

Cold storage holdings of practically all dairy products on June 1 were larger than stocks on the same date a year ago, but decreased stocks of case eggs, meats, poultry, and apples are reported by the Bureau of Agricultural Economics. Stocks of creamery butter are placed at 28,428,000 pounds compared with 15,952,000 pounds on June 1 last year, and a five-year average of 21,460,000 pounds.

ENORMOUS POSSIBILITIES IN  
BY-PRODUCTS SAYS SECRETARY HYDE.

Reviewing the progress which has been made in recent years in the utilization and development of agricultural by-products, Secretary Hyde of the United States Department of Agriculture, in the July issue of the National Republic Magazine, declares that "the time is not so far away when the organized farmer, with science and manufacturing and commercial skill at his command, will make the off-grade fruits, vegetables, and grain and crop residues of today play very important parts in giving diversity and stability to our agriculture. Thus will he help solve the problem of surplus and enhance the financial returns from agriculture as a business.

"The farmer must begin to think more in the terms of his by-products, as the meat packer has done. I believe that the farmers' cooperative organization must and will take an active and diligent interest in the commercial and industrial utilization of the by-products of the farm. The by-products are as much the business of the farmer as are the main products, and the cooperative should carry the by-products as far along the road to consumption as practicable, to insure that a fair share of the profits from the utilization will be reflected directly back to the producer.

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COMMITTEE APPOINTED TO  
STUDY SUGAR-CANE BAGASSE.

By-product use of sugar-cane bagasse is to be a subject of special study by a committee of scientific workers in the United States Department of Agriculture just appointed by Dr. A. F. Woods, Director of Scientific Work. For a number of years the building and insulation board industry has made considerable use of the bagasse, the fibrous remains of sugar cane after the juice has been expressed.

Members of the committee include Dr. H. G. Knight, Chairman; Thomas H. MacDonald; Dr. W. A. Taylor; H. S. Fairbanks; S. H. McCrory; Dr. W. W. Skinner; Dr. F. P. Veitch, and Dr. E. W. Brandes.

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RELEASE DATES OF OUTLOOK  
AND CROP REPORTS.

The following release dates for outlook reports and crop reports for the current season have been announced by the Bureau of Agricultural Economics:

Pig survey, June 25; cotton acreage, July 8; general crop report, July 10; hog outlook, July 15; poultry outlook, July 22; sheep and wool outlook, August 5; cotton conditions, August 8; general crop report, August 9; strawberry outlook, August 15; intentions to plant winter wheat, August 20; beef cattle outlook, August 26; early potato outlook, September 2; winter grain outlook, September 5; cotton report, September 9; general crop report,

September 10; cotton report, October 8; general crop report, October 9; cotton report, November 8; general crop report, November 9; cotton report, December 9; general crop report, December 18; winter wheat report, December 20.

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PENNSYLVANIA COOPERATIVE

BUYING AND SELLING INCREASED.

Pennsylvania farmers during 1928 transacted a business of \$48,863,985 through their cooperative buying and selling corporations, according to a compilation made by the Pennsylvania Bureau of Markets from the annual reports of such organizations. This is an increase of 2.3 per cent over 1927 sales of \$47,764,108 and is 38.9 per cent greater than the total farmers' cooperative business of the State in 1926.

The greatest increase in business in 1928, as compared with 1927, took place in the cooperative marketing of fruits and vegetables, since the sales of these products increased \$1,530,863 or 134 per cent. Most of increase is attributable to the growth in volume of mushrooms sold cooperatively during the year, but the quantity of fruits handled cooperatively also increased.

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IN CONGRESS:

H. R. 1, by Mr. Haugen, to establish a Federal Farm Board to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, and to place agriculture on a basis of economic equality with other industries, was signed by the President of the United States, June 15.

S. 312, by Senators Jones and Vandenberg, to provide for the 15th and subsequent decennial censuses\*\*\*has passed both Houses. April 1 has been fixed as the date for taking the census.

S. 108, by Senator Borah, to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce, has passed the Senate.

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RECENT MIMEOGRAPHS

Bureau of Agricultural Economics.

A list of Government publications dealing with the marketing of dairy products.

A list of Government publications dealing with the marketing of poultry and eggs.

Memorandum regarding the formation of State Cooperative Council - a trade or service organization of all cooperative business organizations.

"Soybeans: The Basis of a New Industry", radio talk by J. E. Barr.

CARRIER HELD LIABLE FOR LOSS OF GOODS EVEN THOUGH NOT NEGLIGENT

The case of Kassel Poultry Co., v. Pennsylvania RR Co., decided by the Supreme Court of New Jersey in March, 1929, and reported in 145 Atlantic, page 316, involves the question of liability of a railroad company for loss of goods delivered to it for shipment. Even though as in this case the circumstances show no negligence on the part of the railroad, nevertheless the judgment of the trial court in favor of the defendant was reversed on the ground that, in the absence of a special contract to the contrary, a common carrier is liable for all losses of goods received for carriage not caused by an act of God, by public enemies, or by the act or default of the shipper; and the carrier cannot be exonerated from loss by showing that there was no negligence.

The goods in question were live turkeys shipped by plaintiff and delivered by defendant over its lines to destination at Jersey City, New Jersey. It appears that plaintiff had an employee in charge of the shipment who accompanied the cars and slept in one of them which contained the turkeys and fed and watered and took care of the poultry; that he, alone, had access to the cars and used his own padlock and key. When the cars reached the Jersey City yards the man in charge of the poultry left the car and locked it and went into an adjoining car to care for the poultry there. On coming out of the car at this time, which was early in the morning, he found the other car containing the turkeys open and two or three men coming out of it with birds in bags on their backs; that he called the watchman but was warned by the men coming out of the car to keep quiet; that on examination of the car from which the men had come he found that 65 or 70 turkeys, weighing about 1,000 pounds, had been taken, and that they evidently had entered the car by opening the lock without breaking it. The employee in charge stated he was unable to report the robbery before about 8 A.M., as he feared to leave the cars lest they again be robbed. The employees of the railroad nearby, who were guarding the property, stated that they heard no noise or saw no one leaving the cars.

Plaintiff asked judgment on the ground that defendant was liable as an insurer regardless of the fact that plaintiff's employee placed his own locks on the cars and retained the keys in his possession; that defendant was liable as the loss was not occasioned by an act of God or the public enemy or expressly excepted in the bill of lading. The finding of the trial court was that the defendant had used a high degree of care in safeguarding the cars and that because of the continued presence of the plaintiff's employee in the car the liability of the carrier was not that of an ordinary insurer, but must be predicated upon the absence of such proper precautions to safe-guard the shipment as the conditions called for on the part of the common carrier and as no negligence had been shown, judgment was rendered in favor of the defendant. Upon appeal this judgment was reversed for the reasons stated above.

H. F. Fitts

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June 26, 1929

Vol. 9, No. 26

ILLINOIS TO HAVE  
CHAIN ROADSIDE MARKETS.

A chain of roadside markets is being established in Du Page County, Illinois, for the purpose of selling southern Illinois fruit and produce direct from producers to Chicago motorists, reports the Illinois Extension Service.

The plan is to establish one central year-around roadside stand with adequate facilities for receiving, holding and distributing carloads of fruits and vegetables. Eight smaller roadside stands are to be built on the nine important hard roads leading west from Chicago, to be operated in the fruit season. Apples, peaches, pears, berries and other fruits and vegetables, especially those produced in southern Illinois will be shipped in iced cars direct to the central roadside stand where they will be redistributed much as chain stores handle produce. The possibility is considered of shipping by motor truck so that fresh fruit will be available the following morning with but one handling.

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NEW HAMPSHIRE TO ISSUE  
GRADES FOR EGGS.

Following a two-day poultry school to be held at Durham, New Hampshire, June 27 and 28, the New Hampshire Commissioner of Agriculture is expected to promulgate official State grades for eggs under authority given him by the recent legislature. The grades are practically identical with those adopted by the other New England States, and the minimum requirements are identical with those of the highest United States grade which is known as the U. S. Special.

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IOWA WOOL POOLS IN  
MANY COUNTIES.

Sheep raisers in 33 counties of Iowa have pooled their wool this year and have sold or expect to sell it cooperatively, according to the livestock extension specialists at Iowa State College. The wool is brought to some designated place in the country, where it is graded and sold according to grade. Sealed bids are received from wool buyers and the wool is either sold at the high bid, or if none of the bids is considered high enough, the wool is consigned to the National Wool Exchange.

SPRING PIG CROP  
SHOWS DECREASE.

A decrease of about 8 per cent in the spring pig crop of 1929 from that of 1928 for the United States is shown by the June Pig Survey by the Bureau of Agricultural Economics. The decrease shown in the eleven Corn Belt States was about 6 per cent, but all other areas showed greater decreases, the greatest being in the Southern States.

A decrease of 8 per cent in the spring pig crop of the United States would be equivalent to about 4,300,000 pigs and a decrease of 6 per cent in the Corn Belt would be equivalent to about 2,500,000 pigs. Such decreases would indicate that the spring pig crop of this year, in the Corn Belt, is the smallest since 1925.

The reports of the number of sows bred or to be bred for farrowing in the fall of 1929 point to about the same number as farrowed in the fall of 1928, if the relationship between breeding intentions and actual farrowings is similar to other years.

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SOUTH AMERICAN COUNTRIES  
JOIN WORLD FARM CENSUS.

Thirteen countries in Central and South America have promised co-operation in the World Agricultural Census of 1930, reports L. M. Estabrook, director of the census for the International Institute of Agriculture, who has just returned to Washington from a 11,000 mile trip to the capitals of South American countries.

The inclusion of these countries in the census brings the total representation in the project to about 97 per cent of the land surface, 93 per cent of the total population, and approximately 99 per cent of the total agricultural production of the world.

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CALIFORNIA TO DEVELOP  
GRAPE BY-PRODUCTS INDUSTRY.

The production of numerous grape by-products was the subject of a recent conference of growers, manufacturers, and research workers at the California College of Agriculture. The by-products include fresh grape juices; filtered muscat and Thompson grape juice as a substitute for cane sugar syrup in commercial fruit canning; two types of syrups, red for grape beverages and white for ginger ale bases; a blend of muscat and red juices; grape scda made by a similar blend of syrups instead of juices; fruit punch using red grape concentrate, and grape ale, which employs grape concentrate in place of sugar.

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APPOINTMENT of Carol O. Youngstrom as assistant agricultural economist of the Idaho Experiment Station, effective July 1, has been announced. Mr. Youngstrom's appointment is part of a program to give a more inclusive service in agricultural economics to the farming interests of the State.

SEES ORGANIZATION OF FARM  
MOTOR TRANSPORT SYSTEMS.

Development of organized motor truck systems for transporting perishable farm commodities to markets from producing regions within a radius of 250 miles and for distributing produce from large markets to smaller towns within a similar area is predicted by marketing officials of the Bureau of Agricultural Economics. The establishment of motor trucking systems as feeders to railroad concentration points for long hauls is also regarded as a possibility.

Although there has been a rapid increase in the use of motor transportation of farm products in the last few years from established producing areas and from new growing regions formerly outside the range of wagon haul to cities, the motor transport business from farm to market is as yet practically unorganized and for the most part is in the hands of independent truckers. More or less organization already exists, however, in the distribution of produce from cities to small towns.

The Government marketing officials believe that as in the case of motor bus and airplane transportation it is only a question of a short time when the railroads which have been facing increasing competition in motor truck transportation both from producing areas to consuming markets and in the distribution of produce from cities to small towns will organize transport systems which will furnish shippers and dealers a unified service.

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REPORTS TRUCK UNLOADS  
IN SEVEN MARKETS.

Motor truck transportation of fruits and vegetables has become so large a factor in handling the nation's food supply that the Bureau of Agricultural Economics is now reporting motor truck receipts in its daily and weekly market news services at seven large consuming markets: New York, Boston, Cincinnati, Denver, Salt Lake City, Los Angeles, and Portland, Oregon.

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DELAWARE MOTOR TRUCK  
SURVEY IS CONCLUDED.

During the 1928 marketing season, the shipments of fruits and vegetables by rail and boat from Delaware and the Eastern Shore of Maryland aggregated 44,616 carloads as compared with 5,862 equivalent carloads reported by motor, according to a survey by the Bureau of Agricultural Economics and the Delaware State Board of Agriculture. It is assumed that these motor truck records represented only 80 per cent of the total motor truck shipments, which would make the total movement 7,327 equivalent carloads of fruits and vegetables by motor truck. The survey disclosed that motor truck transportation is favored especially in connection with the movement of the highly perishable and more expensive commodities.

CANAL SHIPMENTS OF CALIFORNIA  
FRUITS TO BE STUDIED.

A study of refrigeration problems in connection with shipping California fruits through the Panama Canal to the East, and to the Orient, is being studied by Prof. E. L. Overholser of the University of California. He will accompany shipments of fruit and make studies similar to those made in investigating cross-continent shipments in refrigeration cars.

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EGG PRODUCTION MAINTAINED  
DESPITE FEWER HENS.

Although the number of hens in farm flocks on June 1 was about 4 per cent less than on June 1 a year ago, production of eggs per hen is larger than last year due largely to the greater abundance and lower price of feed, reports the Bureau of Agricultural Economics, on the basis of reports from 22,000 crop correspondents.

The number of hens in the flocks of these correspondents averaged 74 on June 1 compared with 77 on the same date last year, and with 74 in 1925. Only slightly fewer hens as compared with last year are reported for the North Central and Northeastern States, but the decrease in the South and West is placed at 5 to 10 per cent. Egg production on June 1 on these farms was 36.9 per flock compared with 37.7 on June 1 last year, and 36.8 the four-year average.

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COTTON COMMITTEE TO  
INTENSIFY RESEARCH.

A committee on cotton research composed of eleven specialists of the United States Department of Agriculture has been appointed by Dr. A. F. Woods, director of scientific work, to study and correlate the cotton research activities of the department. Dr. Woods declares that there is need for extended soil surveys in the Cotton Belt as the basis both of research and of practical improvement; investigation of physical and chemical properties of cotton fibers as aid to cotton breeding and the determination of factors influencing the spinning quality of cotton; re-examination of the principles of cotton breeding to the end that suitable varieties may be established for the several sections of the Cotton Belt; intensive work on the problems resulting from insect pests of cotton; revision of cotton standards as rapidly as technological research justifies; and study of the cotton markets, the price relationships in the markets, and the utilization of cotton for clothing, household, and industrial purposes.

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MARKETING CALIFORNIA FRESH PLUMS AND PRUNES, Season 1928, has been issued in mimeograph by the Bureau of Agricultural Economics.

IMPLIED WARRANTY SURVIVES ACCEPTANCE AFTER INSPECTION

The case of Roland v. Markman et al. (224 N. W. 826) was decided by the Supreme Court of Iowa in April, 1929, having been appealed by defendant upon a verdict for plaintiff to recover damages for breaching a contract to deliver a carload of "good first-class potatoes." The judgment of the lower court in favor of the plaintiff was affirmed.

The question for determination was whether an acceptance of the goods by consignee would prevent an action in damages for the breach of an implied warranty. The answer is that it would not.

Plaintiff purchased from the defendant a carload of good first-class potatoes. Upon arrival of the car, plaintiff made a general examination, looking at the potatoes from the doorway and taking a few sacks from different parts of the car. From this examination the potatoes appeared to be in good condition. A few days after payment of the draft for the potatoes, the plaintiff discovered that 49 sacks contained potatoes in bad condition from freezing. Upon report being made to defendant of this condition he refused to examine or make any adjustments in the matter. This action consequently resulted.

Appellant raised the point that no proof was made that the potatoes were frozen before they reached destination, but with this contention based upon evidence submitted, the court did not agree, indicating that as the result of conflicting testimony the question was presented to the jury and decided by them in favor of appellee. The appellants insisted that the trial court erred in not directing a verdict in their favor inasmuch as appellee had opportunity to inspect the potatoes before accepting them, that he inspected them at his peril, and that if he did not examine every sack he thereby waived any right to claim damages, if the potatoes were not fit for human consumption. The appellants contend further that the implied warranty of quality did not survive appellee's inspection and, therefore, that the rule of "caveat emptor" (let the buyer beware) applies. The appellants, however, did not deny that there was originally an implied warranty.

The court in considering this question stated: "Our further consideration, therefore, is narrowed to one question, which is, did the previously existing implied warranty survive the inspection." The following quotation of the court is from an Iowa case: "We understand the law to be well settled that when goods are tendered by the seller in performance of an executory contract of sale and acceptance by the buyer after opportunity of inspection without objection, the purchaser is liable for the price agreed upon unless there be a warranty intended to survive the acceptance."

Continuing from the decision: "While inspection at point of delivery will prevent rescission under certain circumstances, yet it will not necessarily bar a recovery for damages growing out of an implied warranty."

N. W. 830, this court said: "Indeed, we think the duty of inspection upon receipt of the article purchased is applicable only to cases where the buyer undertakes to rescind his order or to exercise the right to return the property to the seller\*\*\*\* hence by clear statements, Sections 9978 and 9998 (of the Iowa Code) affirmatively provide for an action in damages when an implied warranty is broken, and this is so even though there has been an acceptance." Various other cases were quoted in which the same conclusion is indicated.

Under the Code an important change is noted in the common law of the State as neither an express nor implied warranty becomes waived by acceptance of the goods, the change being that under the common law only an express warranty survived the acceptance of the goods, whereas now an implied warranty also survives.

The appellee here immediately notified the appellant of the breach and consequently damages were recoverable for the frozen potatoes. H. F. Fitts

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IN CONGRESS:

S. 312, by Senators Jones and Vandenberg, to provide for the 15th and subsequent decennial censuses, was signed by the President of the United States June 18, 1929.

H.R. 4016, by Mr. Wood, making an appropriation of \$151,500,000 to become immediately available for the purpose of carrying out the Agricultural Marketing Act, approved June 15, 1929, has been passed.

Bills Introduced:

S.J.Res.65, by Senator George, to provide for the publication of certain transactions in cotton on boards of trade and exchanges.

H.R. 3921, by Mr. Hope, to authorize the Secretary of Agriculture to establish grades and an inspection service for canned foods in order to facilitate commerce therein, and to enable the consumer to purchase canned foods on the basis of quality, thereby lending encouragement to the producers of quality farm products.

H.R. 4142, by Mr. Jones, to provide for research work in connection with the utilization of agricultural products other than forest products.

S. Con. Res. 16, by Senator Watson, provides that when the two Houses adjourn on Wednesday, June 19, 1929, the Senate shall stand adjourned until 12 o'clock, Monday, Aug. 19, 1929, and that the House shall stand adjourned until 12 o'clock Monday, Sept. 23 1929. The Resolution was agreed to.



